

Lanesboro Public Utilities
Regular Meeting, City Council Chambers
Tuesday, January 21st, 2020 10:00 a.m.

Present: Jon Pieper, Elliot Riggott and Don Bell
Absent: None
Staff Present: Jerod Wagner
Visitors: Bonita Underbakke and Jason Resseman

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:12 a.m.

- A. Agenda:** Member Bell motioned to approve the agenda with the addition of Bell letter to Miscellaneous. Member Riggott seconded the motion. Motion carried all in favor.
- B. Consent Agenda:** Member Riggott motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Motion carried all in favor.
 - Minutes of the Regular Meeting, December 17th, 2019
 - Accounts Payable
- C. Council Liaison Update:** Council Member Smith noted the screening for the Wastewater Treatment Facility had been approved. The Council also approved a zoning amendment for the front setback requirement. On January 14th there was a preconstruction meeting for the Dam rehabilitation project. Icon plans to bring equipment in the end of February, however work within the water will not begin until after April 15th. Smith noted a desire to have more input on the Dam and Wastewater projects from the commission, as well cautioned that engineer costs are only estimates.
- D. Staff Update:** Supervisor Jerod Wagner reported that they successfully read water meters with the new software last month, and it went very well. Currently a contractor is hauling approximately two loads of sludge per week, and that also seems to be working well. It was noted that even with the new plant, the sludge will still need to be dealt with, although Wagner is hoping that permits will be in place to land apply. Member Pieper inquired as to the electrical outage on the South side of town the previous week, Wagner noted it was an issue on MiEnergy side of the system.

Regular Business

- A. Electric Rate Study:** Supervisor Wagner provided an overview of the need for the study, and provided a cost estimate from Gary Price. Member Bell motioned to approve conducting the Rate Study, and contracting with Gary Price to complete the study. Member Riggott seconded the motion. Motion carried all in favor.
- B. Smith Schafer & Associates – 2019 Audit:** Member Bell motioned to approve Smith Schafer & Associates to complete the 2019 Audit. Member Riggott seconded the motion. Motion carried all in favor.
- C. Continued Business:**
 - 1. Water Rate Comparison:** Administrator Peterson reviewed the examples for two businesses, single resident, family resident, and part-time accounts for a rate comparison between 2018 and 2019. It was noted that the new rate structure did not

increase conservation. The commission would like to revisit the water rate structure in the end of 2020.

2. Mapping: No new update was available. A review of the need and project was given.

A. Miscellaneous:

- 1. Meeting Date and Time:** Member Riggott noted he will try to rearrange his work schedule with the meeting date and time. For now, the meeting date and time will stay the same.
- 2. WWTF Schedule:** A tentative timeline for the Wastewater Treatment Facility was provided within the packet.
- 3. Dam Project Update:** As noted earlier a preconstruction meeting was held for this project. Supervisor Wagner noted that an electrical drop will be needed for the gates, as well as temporary power during the project. It was noted that the trail is not planned to be used as much for construction, keeping it open for use. Member Pieper noted concern for the driveway into the dam parking area, and how it will be maintained during construction. Administrator Peterson will check with the engineers to ensure there is something within the contract to be sure it is protected.
- 4. Don Bell:** Member Bell presented a letter to commission members noting his opposition to the Wastewater Treatment Facility Project. He requested to be listed on the February City Council agenda.

Next Meeting: Tuesday, February 18th, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Bell to adjourn the regular meeting of the Public Utilities Commission at 10:50 a.m. Motion was seconded by Commissioner Riggott. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

Lanesboro Public Utilities
Regular Meeting, City Council Chambers
Tuesday, February 18th, 2020 10:00 a.m.

Present: Jon Pieper, Elliot Riggott and Don Bell

Absent: None

Staff Present: Jerod Wagner

Visitors: Bonita Underbakke, Jake Pichelmann, Brian Malm, and Jason Resseman

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:06 a.m.

- A. Agenda:** Member Riggott motioned to approve the agenda as submitted. Member Bell seconded the motion. Motion carried all in favor.
- B. Consent Agenda:** Member Riggott motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Motion carried all in favor.
- Minutes of the Regular Meeting, January 21st, 2020
 - Accounts Payable
- C. Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
- It was discovered this morning that there is a problem underground with the pipe that goes from the sludge tank to the digester. They are working to thaw out the line, and further diagnose the situation.
 - During the February 12th UMMEG meeting it was noted that we are due for the five-year stack test, UMMEG will be working to coordinate a contractor to complete the test for all members. It is also forecasted that there will be a 7% increase in the purchase cost of electric for this year.
 - This Friday, February 21st Dairyland will be certifying an urge test for Lanesboro.
 - Wagner is meeting with the electrical contractor for the Dam project in order to determine plans for temporary and final power supplies for the hydro gate operation.
 - Wagner has met with a retired licensed journeyman regarding staffing needs in Lanesboro, discussion will be continued in the regular business portion of the meeting.
 - A water line break on Auburn Avenue was discovered and repaired on February 14th. Wagner will share the details with City Engineer Brian Malm.
- D. Council Update:** Council Member Tom Smith reported that the following had discussed at the February 3rd City Council Meeting:
- Approved a lot split request for Rick Lamon, for a future brewery
 - Discussed several roads that are not actual City Roads that the City is maintaining and requested additional information
 - Tabled a discussion regarding paving in the alley between Parkway Avenue N and the Fire Hall until opinions from neighboring property owners was discussed
 - Rejected all bids from the Website RFP, and requested additional information for March
 - LPU Member Don Bell submitted his letter with concerns, the Council noted desire to have him remain on the commission.
- E. Dam Project Update:** Administrator Peterson noted that a few pieces of equipment have been brought in, and that approval has been given to begin work in March, instead of the initial timeframe of April 15th.

Regular Business

- A. Wastewater Treatment Facility Plans:** City Engineer Brian Malm reviewed the estimated schedule as well as reviewed the financing options. Engineer Jake Pichelmann shared the site layout. Concern was brought forward regarding the location of the walking path; it should be moved closer to the bridge. This adjustment will be made for the final submittal for bids. Member Riggott motioned to recommend the authorization for bidding to

the City Council as well as move the location of the walking trail. Member Pieper seconded the motion. Motion carried with members Riggott and Pieper voting in favor. Member Bell voted no.

- B. Ordinance 54.06, State Water Fee Update:** Member Riggott motioned to approve the update to Ordinance 54.06 and forward to the City Council. Member Bell seconded the motion. Motion carried all in favor.
- C. Resolution 2020-01, Authorizing the Transfer of Public Utilities Funds:** Member Bell motioned to approve resolution 2020-01 transferring \$60,000 from the Water debt service fund to the operating fund. Member Riggott seconded the motion. Motion carried all in favor.
- D. CIP Funds:** Administrator Peterson reviewed the Conservation Improvement Fund balances. Peterson requested an amount not to exceed of \$5,000 to purchase new LED Holiday decorations for the downtown. Member Bell motioned to approve the purchase not to exceed \$5,000. Member Riggott seconded the motion. Discussion was had to request the possibility of extending the decorations onto Coffee Street. Additionally, the commission would like to review the rebate program at the March meeting. Motion carried all in favor.
- E. Mower:** Commission members requested that a quote for a new mower be brought to the March meeting.
- F. Summer Help:** Administrator Peterson brought forward the idea of hiring a seasonal worker to help with the mowing and general cleaning. Commission members requested expense detail for the March meeting.
- G. Continued Business:**
 - 1. Mapping:** As noted earlier, Supervisor Wagner has a licensed journeyman that would be willing to work two eight hour shifts each week to help with this project as well as other electric projects. Commission members requested expense detail for the March meeting.
 - 2. Electric Rate Study:** Gary Price has received all of the requested information; additional information will be shared as it becomes available.
- A. Miscellaneous:**
 - 1. Meeting Date and Time:** At this time members felt the current date and time was the best option.
 - 2. Water Rates:** Members requested additional information on Water usage and the different types of accounts. Discussion will be continued in March.

Next Meeting: Tuesday, March 17th, 2020 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 10:45 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

Lanesboro Public Utilities
Regular Meeting, City Council Chambers
Tuesday, March 17th, 2020 10:00 a.m.

Present: Jon Pieper, Elliot Riggott and Don Bell

Absent: None

Staff Present: Jerod Wagner

Visitors: Bonita Underbakke

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:11 a.m. Administrator Peterson and Supervisor Wagner were both present in the Auditorium of the Lanesboro Community Center. Public Utilities Commission members joined via video and phone conference, meeting was conducted and recorded using Zoom. All votes were completed via roll call.

- A. Agenda:** Agenda was approved by consensus.
- B. Consent Agenda:** Member Bell motioned to approve the Consent agenda as presented. Member Riggott seconded the motion. Motion carried all in favor.
 - Minutes of the Regular Meeting, February 18th, 2020
 - Accounts Payable
- C. Council Update:** No update was available.
- D. Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - Repairs to the Wastewater Treatment Facility are complete and operations are continuing as expected.
 - Wagner also recently completed a three-day training for Water.
- E. Dam Project Update:** Administrator Peterson noted that at this time we believe the project will go on as planned. Work is scheduled to begin next Monday, March 23rd.

Regular Business

- A. Conservation Improvement Funds:** Member Pieper stated he had reached out to MiEnergy for advice. The commission will further discuss options in the future, including the possibility of providing additional funding for SEMCAC to administer.
- B. Continued Business:**
 - 1. Mapping:** Discussion to be continued.
 - 2. Electric Rate Study:** No update was available.
 - 3. Mower:** Discussion to be continued.
 - 4. Summer Help:** Discussion to be continued.
 - 5. Part-Time Position:** Member Bell motioned to approve hiring Troy Schiltz as a Part-time staff member at 16 hours per week. Member Riggott seconded the motion. Motion carried all in favor.
 - 6. Water Rates:** Discussion to be continued.
- A. Miscellaneous:**
 - 1. Meeting Date and Time:** At this time members felt the current date and time was the best option.

Next Meeting: Tuesday, April 21st, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Bell to adjourn the regular meeting of the Public Utilities Commission at 10:23 a.m. Motion was seconded by Commissioner Riggott. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, April 21st, 2020 10:00 a.m.
Meeting Conducted via Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott and Don Bell
Absent: None
Staff Present: Jerod Wagner
Visitors: Tom Smith and Darla Taylor

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:04 a.m.

- A. Agenda:** Member Pieper motioned to approve the agenda as submitted. Member Riggott seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
- B. Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Riggott seconded the motion. Motion carried all in favor.
- Minutes of the Regular Meeting, March 17th, 2020
 - Accounts Payable – Council Member Tom Smith, liaison to the commission, inquired to the bills for Normans Electric (Verizon project), MN DNR (DNR project), and Bolton & Menk (requesting all payables for this vendor for 2019 and 2020 be sent to him).
- C. Council Update:** Member Smith noted the following: Tom Dybing was appointed as an interim Council Member to fill Autumn Johnson’s seat, two residents attending the Local Board of Appeal and Equalization were referred to the County, there was also one reduction in value, and one increase in value. Council voted to keep public bathrooms closed as well as the campgrounds. The Council recommended the playground equipment, basketball, tennis courts, and ballfield be closed until further notice. Additionally, the Cartway petition received in February was withdrawn.
- D. Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
- Repairs to the Water Treatment facility from water damage is currently being repaired.
 - School project is moving ahead, although there have been many issues related to the electrical portion of the project.
 - UMMEG is currently looking for a contractor to certify stack tests.
 - Staff members are finding odd jobs that need to be done as time allows.
 - Staff member Troy Shiltz is working on trimming the trees in the lines at the Lanesboro Car Wash today.
- E. Dam Project Update:** Project is progressing according to schedule; ICON Construction has been very good to work with. The level of the bass pond has lowered, however there is 600 gallons per minute being pumped into it, levels are being monitored. The changing water levels is keeping the muskrats away, although a special permit to trap may be looked into.

Regular Business

- A. COVID 19 Policy:** Member Pieper motioned to approve extending the cold weather rule, waiving late fees to those customers experiencing economic hardships, and creating payment

plans as needed. Member Riggott seconded the motion. Vote done by roll-call, all in favor.
Motion carried.

B. Continued Business:

1. **Mapping:** This project is on hold at this time.
2. **Electric Rate Study:** Due to health concerns the study is taking longer than expected. More information will be presented when available.
3. **Mower:** Member Bell motioned to approve the purchase from Preston Equipment for the 2020 Z930M ZTrak. Member Riggott seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
4. **Summer Help:** Discussion to be continued.
5. **Water Rates:** Discussion to be continued.
6. **Conservation Improvement Funds – Rebate Program:** Discussion to be continued.

A. Miscellaneous:

1. **Off Peak Metering:** Member Bell inquired regarding the ability to calculate on demand charges. Wagner noted that we currently do not have the ability to do this, however we may look at it with the rate structure review. Members also questioned what services could be included with this option.

Next Meeting: Tuesday, May 19th, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Riggott to adjourn the regular meeting of the Public Utilities Commission at 10:30 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, May 19th, 2020 10:00 a.m.
Meeting Conducted via Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott and Don Bell
Absent: None
Staff Present: Jerod Wagner
Visitors: Tom Smith and Darla Taylor

Regular Meeting:

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

- A. Agenda:** Member Bell motioned to approve the agenda as submitted with the addition of Light Plant roof. Member Pieper seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
- B. Consent Agenda:** Member Bell motioned to approve the Consent agenda as presented. Member Pieper seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
 - Minutes of the Regular Meeting, April 21st, 2020
 - Accounts
- C. Council Update:** Member Smith noted the following from the last City Council Meeting: 2019 Audits reviewed, opened the public bathrooms at the Visitor Center and the Bathhouse, Campgrounds remain closed to follow the Governor's recommendations, approved seal coating bid for several streets, approved of fill from the Dam to be placed at the Ballfield, approved of COVID-19 preparedness and plan policies, reported that all full time staff are working regular hours.
- D. Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - UMMEG awarded the contract to Farabee Mechanical to conduct the stack testing, the cost to Lanesboro Public Utility will be \$3,375.00.
 - Work has begun to replace to replace some of the overhead wires
 - Troy Schiltz has been able to review the configuration in Sylvan Park and is working on a proposal on how to update/repair. He has also been instrumental in assisting with other projects, such as at Unwined.
- E. Dam Project Update:** Administrator Peterson noted that the project is moving along, all though there has been additional excavation that was not planned for. Peterson is participating in weekly phone calls for the project with the Engineer and the Contractor.

Regular Business

- A. Water Treatment Facility Repairs:** Supervisor Wagner noted that all repairs to the Water Treatment Facility are now complete. The damage was caused from snow coming in through the roof vent and subsequently the facility suffered water damage. An insurance claim was filed with the League of Minnesota Cities Insurance Trust.
- B. Water Treatment Facility Lighting Update:** Supervisor Wagner shared a quote to update the lighting in the facility to LED. Member Bell motioned to approve the quote from Norman's electric to replace nine fixtures at a cost of \$82.97 per unit, plus installation. Member Riggott seconded the motion. Vote was done by roll-call, all in favor. Motion carried.

- C. Light Plant Roof:** Recent rains have shown that temporary repairs to the roof have not been sufficient. For this reason, Wagner requested a quote to replace the roof with a metal one from Schultz Builders. Member Bell motioned to approve replacement of the roof in the amount \$9,680. Member Riggott seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
- D. Continued Business:**
- 1. Electric Rate Study:** Progress is paused at this time. This is being done so that the current and potential future economic impacts from the Pandemic can be considered as part of the study.
 - 2. Summer Help:** Discussion to be continued.
 - 3. Water Rates:** The rate discussion will be tabled until budget discussion begins for 2021. Additional discussion was had regarding water loss. Administrator Peterson shared a spreadsheet showing percentages of loss for 2020, 2019, and 2018. Water loss percentages remain consistent. Peterson will reach out to other communities to see what an average loss might be. Discussion to be continued in June.
 - 4. Conservation Improvement Funds – Rebate Program:** A contract with SEMCAC will be presented at the June meeting for review.
- A. Miscellaneous:**
- 1. City Office:** Administrator Peterson noted that alterations to the City Office are being considered prior to the Office opening to the Public again.

Next Meeting: Tuesday, June 16th, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Riggott to adjourn the regular meeting of the Public Utilities Commission at 10:29 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, June 16th, 2020 10:00 a.m.
Lanesboro Community Center Gymnasium and
Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott and Don Bell
Absent: None
Staff Present: Jerod Wagner
Visitors: None

Regular Meeting:

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

- A. Agenda:** Member Bell motioned to approve the agenda as submitted. Member Riggott seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
- B. Consent Agenda:** Member Riggott motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Vote was done by roll-call, all in favor. Motion carried.
 - Minutes of the Regular Meeting, May 19th, 2020
 - Accounts Payable
- C. City Update:** Administrator Peterson shared that the Council had officially cancelled Buffalo Bill Days for 2020.
- D. Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - High rainfall last week forced a bypass at the Wastewater Treatment Facility for four hours. Wagner would like to verify that storm drains are not draining into the sewer system. Discussion continued regarding the ability of the Utility to inspect properties. It was also noted that a PTO pump is a necessary piece of equipment. Wagner will look to see if a used one can be found. Potentially the City (Fire and Street) may also benefit from this equipment. Peterson will also look at potential grant opportunities for a PTO pump.
 - Staff is working with area communities on how the Christmas Tree can be reconfigured for LED lights.
 - There have been several power outages recently. It has been determined that current coming in from MiEnergy is triggering our system to kick out. Wagner will be working with engineers to look at the situation, and make any necessary changes to prevent this from continuing.
- E. Dam Project Update:** Administrator Peterson shared the project is on schedule, and soon work will begin on the power canal portion of the project.

Regular Business

- A. Water Loss:** Members reviewed the water loss report for the first quarter of 2020. Water loss has remained consistent. Water Meters in town are approximately 8 years old, so still in good working order. There are several drip lines in residences in town, and this is most likely causing a large percentage of the unaccounted-for water loss. The commission would like to see a map created of those properties, which would include inspections. A plan will be created to prioritize and eliminate these lines.

B. SEMCAC Contract: Member Bell motioned to approve the contract as submitted. Member Riggott seconded the motion. Discussion was had on possible additional Conservation Improvement Projects for the community. Vote was done by roll-call with all in favor. Motion carried.

C. Continued Business:

- 1. Electric Rate Study:** Supervisor Wagner is going to request that the study be finalized. No further updates were available.

Next Meeting: Tuesday, July 21st, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Riggott to adjourn the regular meeting of the Public Utilities Commission at 10:42 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, July 21st, 2020 10:00 a.m.
Lanesboro Community Center Gymnasium and
Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott and Don Bell

Absent: None

Staff Present: Jerod Wagner

Visitors: Bonita Underbakke and Phil Dybing

Regular Meeting:

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

- A. **Agenda:** Member Bell motioned to approve the agenda as submitted with the additions of: MN DNR and Wastewater Testing. Member Riggott seconded the motion. Motion carried all in favor.
- B. **Consent Agenda:** Member Bell motioned to approve the Consent agenda as presented. Member Riggott seconded the motion. Motion carried with all in favor.
 - Minutes of the Regular Meeting, June 16th, 2020
 - Accounts Payable
- C. **Council Liaison Update:** No update was available. Administrator Peterson shared that a Hearing was being held to determine if Hillside Avenue should be vacated, concerns were shared regarding the utilities in the right of way.
- D. **Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - Several recent trainings for Water, Sewer, and Land Application
 - There are three street lights left to switch over, the diffuser will be left on one with the diffuser removed on another in hopes of determining which aesthetic is better.
 - Complaints are still being received regarding a sewer gas smell on properties along Auburn Avenue.
 - Sewer lines from Hwy 250 along Coffee Street will be videoed tomorrow.
 - A trial run of shutting down the South Water Tower for maintenance is happening today.
 - o Member Pieper noted that water pressure is very high. Supervisor Wagner noted that we are currently within the guidelines, however he will look into the pressure to see if it is in need of adjustment.
 - o Member Piper shared that a business owner had concerns that a brown out had occurred, and consequently several light fixtures were damaged. It was noted that this is a single-phase service and therefore a brown out at this location was not likely.
 - o Member Bell inquired about the drip valve replacement project. Supervisor Wagner noted that due to the pandemic this project is on hold. Member Riggott noted he would volunteer to help with inspections when appropriate. A suggestion was made to reach out to the City of Stewartville, as they have done a project similar in scope.

- E. **Dam Project Update:** Project is still on schedule, and work has begun on the power canal and gate structure. Supervisor Wagner noted that additional work on the SCADA system will also need to be done, which is not part of the Dam Project, although there are funds budgeted for, for this portion of the project. Concerns were raised about individuals accessing the water above the Dam.

Regular Business

- A. **Dybing Building Request:** Phil Dybing could like to tear down the existing garage and build a larger one in a similar footprint. There are currently distribution lines that run over top of the garage, causing concern. Additionally, the gas line for the Public Utilities generator comes across Mr. Dybing's property. Mr. Dybing provided suggestions for how the utilities could be moved. Member Bell motioned to have Supervisor Wagner attain a quote for moving the electrical lines as well as contact MN Energy to also attain a quote and placement policy guidelines. Member Riggott seconded the motion. Motion carried all in favor.
- B. **Continued Business:**
 - 1. **Electric Rate Study:** Work on the rate study continues. Supervisor Wagner shared concern for the overall electric system with regards to capacity requirements and renewable resources. This discussion will be continued for future consideration.
- C. **Miscellaneous:**
 - 1. **MN DNR:** Confirmation was received noting that the DNR will not be requiring a water appropriation permit or fees for the Bass (Mill) Pond.
 - 2. **Wastewater Testing:** Member Bell shared the research that his wife, Anna Loney, had been doing regarding testing of Wastewater as an indicator of COVID in the community. Discussion was had that given the number of visitors in town that would not be an accurate portrayal of what was happening in the community. Members did feel that testing done during the week, could potentially be a more accurate indicator. Discussion will be continued as more information becomes available.

Next Meeting: Tuesday, August 18th, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Riggott to adjourn the regular meeting of the Public Utilities Commission at 11:30 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, September 15th, 2020 10:00 a.m.
Lanesboro Community Center Meeting Room and
Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott and Don Bell
Absent: None
Staff Present: Jerod Wagner
Visitors: Bonita Underbakke and Steve Sobieniak

Regular Meeting:

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

- A. **Agenda:** Member Pieper motioned to approve the agenda as submitted. Member Riggott seconded the motion. Motion carried all in favor.
- B. **Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Motion carried with all in favor.
 - Minutes of the Regular Meeting, July 21, 2020
 - Accounts Payable
- C. **Council Liaison Update:** No update was available.
- D. **Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - Advance Electric will be installing the final pieces for the Hydro next week.
 - The relays in town have been reset to more closely line up with the MiEnergy system, so that outages do not continue to happen as frequently.
 - A contractor for the school project damaged the electrical line which feeds the bathhouse last Friday afternoon. New lines will need to be run, Troy Schiltz is coordinating the repairs. Repairs are expected to be completed this week.
- E. **Dam Project Update:** The Dam project is almost complete. Supervisor Wagner noted that they hope to run the Hydro next week, the gates will need to be manually operated at this point.

Regular Business

- A. **SCADA for Electric System:** The hardware has been installed, however Supervisor Wagner will continue to investigate how the system can be integrated for Water, Sewer, and Electric including the Hydro operations.
- B. **2021 Budget:** Administrator Peterson presented a preliminary budget for 2021. Increases are recommended for both Water and Sewer rates, electric is still to be determined through the rate study. Members will review the budget presented and discussion will be continued next month.
- C. **Continued Business:**
 - 1. **Electric Rate Study:** The study is still in progress.
 - 2. **Dybing Utility Request:** The Dybing's have submitted an alternative building permit application that does not require the movement of the electrical lines. Administrator Peterson noted that MN Energy did offer to move the gas line that crossed the Dybing property going to the Public Utility property at no cost.

3. **Water Pressure:** Supervisor Wagner noted that the water pressure in town has remained within the parameters required, no changes have been made.
4. **Street Lights:** Troy has worked to replace the existing bulbs with LED. Coffee Street and the Bass Pond Parking area are now complete. In doing this work he also found two issues with how the lights were wired, which now corrected should provide for some cost savings for the City. The lights near the County Road 8 bridge will be replaced next. Discussion continued about the placement of lights in town, as well as the procedure if someone would like to have a light removed. Supervisor Wagner noted that lights are required for intersections, so each request would need to be reviewed.
5. **Wastewater Testing:** The test tubes were just received, therefore testing will begin next week. Discussion was had regarding the day of the week and the time of the day the samples would be taken in order to get the most accurate picture of our community.

D. Miscellaneous:

1. **Coffee Street:** Memer Pieper requested that the City work with the County regarding the portion of Coffee Street that may not be resurfaced until the Hwy 250 project for filling in seams and potholes.

Next Meeting: Tuesday, October 20, 2020 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 10:25 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

Lanesboro Public Utilities
Regular Meeting
Tuesday, October 20, 2020 10:00 a.m.
Zoom with video and audio connections

Present: Jon Pieper and Don Bell
Absent: Elliot Riggott
Staff Present: Jerod Wagner and Darla Taylor
Visitors: Tom Smith

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:12 a.m.

- A. **Agenda:** Member Bell motioned to approve the agenda as submitted. Member Pieper seconded the motion. Motion carried all in favor.
- B. **Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Council Member Smith inquired regarding the cost of repairs to the electrical infrastructure caused by the contractor for the School project. Administrator Peterson noted that the contractor will be billed for all expenditures. Motion carried with all in favor.
 - Minutes of the Regular Meeting, September 15, 2020
 - Accounts Payable
- C. **Council Liaison Update:** Council Member Smith noted the following from the October 5, 2020 Council Meeting:
 - A bid for the Wastewater Treatment Plant construction was accepted from Wapasha Construction.
 - Reviewed change orders for the Dam project.
 - Reviewed Grants received by the EDA.
 - Appointed Mindy Albrecht-Benson to the Council to fill Member Johnson's seat.
- D. **Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - Due to the Wastewater Treatment Plant changes will need to be made to the electrical infrastructure in that area.
 - The annual UMMEG meeting will be held virtually this year.
 - Currently working on determining a voided cost calculation for our system.
 - Work will begin this week to prepare the Utility systems for winter.
 - Power outage last week was due to the settings on the relays as the power comes into town. They were set at a 1 second delay, and now has been adjusted to a 10 second delay which should prevent an outage in the future.

Regular Business

- A. **Wastewater Treatment Facility Project:** A preconstruction meeting was held last week, a concern for utilities was noted. Changes will need to be made to the electric system for construction as well as the final project. Supervisor Wagner will oversee these changes. Additionally it was noted that Acentek will need to move a fiber optic cable that runs through

the middle of the project. The City Engineer will work with Acentek representatives to ensure this is done in an appropriate time frame.

B. Continued Business:

1. **Electric Rate Study:** The study is still in progress.
2. **2021 Budget:** Members were encouraged to meet with Clerk Peterson over the next month to review the proposed budget. The proposed budget will be presented at the November meeting for final review.

C. Miscellaneous:

1. **Christmas Tree:** Additional locations are being looked at for potential changes in the future. Negotiations continue with the current location's property owner.

Next Meeting: Tuesday, November 17, 2020 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 10:21 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Regular Meeting
Tuesday, November 17, 2020 10:00 a.m.
Zoom with video and audio connections**

Present: Jon Pieper and Don Bell
Absent: Elliot Riggott
Staff Present: Jerod Wagner and Darla Taylor
Visitors: Tom Smith and Steve Sobieniak

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:03 a.m.

- A. **Agenda:** Member Peiperl motioned to approve the agenda as submitted. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.
- B. **Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.
 - Minutes of the Regular Meeting, October 20, 2020
 - Accounts Payable
- C. **Council Liaison Update:** Council Member Smith noted the following from the November 2, 2020 Council Meeting:
 - Mike Bubany was present to provide an overview of the capital improvement plan. He noted that the debt per capita is increasing.
 - Approved the CEDA contract for 2021.
 - Budget workshop held, noting minor levy increases, although property values have increased.
- D. **Staff Update:** Utilities Supervisor Jerod Wagner reported the following:
 - The SCADA system for the Hydro-Electric operation is being installed today.
 - There is a water leak on Hillcrest Street, the area is being dug up today in order to determine exactly where the leak is. Due to the configuration of the system a large portion of the north side of town may need to be shut off to repair the leak.
 - Challenges persist with relation to the electrical service for the new Wastewater Treatment Facility site.
 - Pipes at the new location for dewatering.
 - Member Pieper inquired about the time frame for determining where the runoff for downtown buildings is going, it will be looked at again in the Spring of 2021.

Regular Business

A. 2021 Rates

- a. **Water:** Member Pieper motioned to approve the suggested rates for 2021. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.

2021	Gallons	Per Gallon Cost
Tier 1 Total Usage	4,433,754	0
Tier 2 Total Usage	7,641,609	0.0079
Tier 3 Total Usage	1,925,266	0.01156
Tier 4 Total Usage	2,054,632	0.02287
Total Usage	16,055,261	
Total Base Charge	494	33.5

- b. **Sewer:** Member Pieper motioned to approve option two, spacing the rate increases out over a two year period. Member Bell seconded the motion. Discussion was had regarding the fund balance, current debt, and future projects. Vote was done by roll-call with all in favor. Motion carried.

2021	Gallons	Per Gallon Cost
Tier 1 Total Usage	4,433,754	0
Tier 2 Total Usage	7,641,609	0.00714
Tier 3 Total Usage	1,925,266	0.0084
Tier 4 Total Usage	2,054,632	0.009072
Total Usage	16,055,261	
Residential Base	358	\$ 37.45
Commercial Base	85	\$ 37.45
Flat Rate Base	3	\$ 37.45
Apartment Base	39	\$ 6.93
Sewer Improvement Fee	485	\$ 5.60

2022	Gallons	Per Gallon Cost
Tier 1 Total Usage	4,433,754	0
Tier 2 Total Usage	7,641,609	0.0104139
Tier 3 Total Usage	1,925,266	0.01134
Tier 4 Total Usage	2,054,632	0.0122472
Total Usage	16,055,261	
Residential Base	358	\$ 50.56
Commercial Base	85	\$ 50.56
Flat Rate Base	3	\$ 50.56
Apartment Base	39	\$ 9.36
Sewer Improvement Fee	485	\$ 7.56

- c. **Electric:** Administrator Peterson reviewed the rates presented. Although information from the rate study has not come in, Peterson reviewed revenue and expenses and put together this suggestion. Switching the focus of the revenue from usage charges to the base charges would help capture revenue from properties that are not occupied 12 months of the year. As well prepare for the future with renewable energy, to help ensure the system to transmit the energy remains viable. Member Smith noted concern

for the rate change for properties that have two meters. He suggested that the second meter could be charged a lesser rate. Administrator Peterson will send out the debt service schedule for Public Utilities. Member Pieper motioned to table the electric rate discussion. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried. Administrator Peterson will provide two examples from each rate category for the continued discussion.

B. Continued Business:

1. 2021 Budget:

- a. **Water:** Member Pieper motioned to approve the 2021 budget presented with the removal of funding for the Economic Development Authority in the amount of \$2500. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.
- b. **Sewer:** Member Pieper motioned to approve the 2021 budget as presented with the removal of funding for the Economic Development Authority in the amount of \$2500. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.
- c. **Electric:** Member Pieper motioned to table the discussion. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.

2. Wastewater Treatment Facility: No new information was available at this time.

C. Miscellaneous:

1. **Disconnection Request:** A request was received about disconnecting Utility services, with the meters being pulled due to a financial hardship. Members discussed the different possible situations, and discussed that currently properties that are disconnected are still being charged the base charge. Member Pieper motioned the following: if a meter remains in place then a base charge should be charged each month per utility and the reconnection fees would apply, however if a meter is pulled then the property owner would need to pay the fees for the new services for each utility, currently \$750. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.
2. **Special Meeting:** Members requested a special meeting to be held the week of November 30th, to finalize the recommended rate structure, the 2021 budget, and the short and long term goals of the commission. Administrator Peterson will work with Member Riggott and post the Special Meeting. Administrator Peterson will provide the following:
 - Debt Schedule for all Utilities
 - Utility Fund Balances
 - Two examples from each rate class for electric

Next Meeting: Tuesday, December 15, 2020 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 11:11 a.m. Motion was seconded by Commissioner Bell. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

**Lanesboro Public Utilities
Special Meeting
Tuesday, December 1, 2020 10:00 a.m.
Zoom with video and audio connections**

Present: Jon Pieper, Elliot Riggott, and Don Bell

Absent: None

Staff Present: Jerod Wagner and Darla Taylor

Visitors: Tom Smith and Jason Resseman

Regular Meeting:

Commissioner Pieper called the regular meeting to order at 10:02 a.m.

- A. **Agenda:** Member Bell motioned to approve the agenda as submitted. Member Riggott seconded the motion. Vote was done by roll call with all in favor. Motion carried.
- B. **Consent Agenda:** Member Bell motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.
 - Minutes of the Regular Meeting, November 17, 2020
- C. **Staff Update:** Utilities Supervisor Jerod Wagner reported that there have been issues with the Christmas Tree on the North Bluff. They believe the problem is in the timer meter and will be replacing it.

Regular Business

A. 2021 Budget

- a. **Electric Utility:** Discussion was had regarding the application for Lanesboro Public Schools Solar Project, and how that would ultimately affect the budget. At this time no adjustments have been made.
 - i. **2021 Budget:** Member Pieper motioned to approve the Electric Utility Budget for 2021 minus the funding for the EDA. Member Bell seconded the motion. Member Pieper also noted that in the future he would like to see the City find another funding source for the Auburn/Zenith and Park Road transfers. His suggestion would be to consider an increase to the current City Sales Tax. Vote was done by roll call with all in favor. Motion carried.
 - ii. **Rates:** An error was noted on the rate example document for one of the part time residents examples. Members requested the following information:
 - Current number of households with two meters
 - Current number of three phase meters
 - Does the Base Rate cover the cost of operationsThe discussion was tabled until the next meeting.
- B. Short and Long Term Goals:** The board requested updates on the WWTF project as they become available, as well to be included on any meetings regarding the project. The board discussed the possibility of adding the Power Plant wall repair to the Capital Improvement Plan. Member requested that Supervisor Wagner create a plan for short and long term goals, as well

as which projects could be started on in 2021 such as service lateral repairs and manhole rehabilitations.

C. Next Meeting Date: Members discussed keeping the regular meeting for December on the 15 at 10:00 a.m.

D. Staff Annual Reviews: Closed Meeting, Pursuant to Minnesota Statute 13D.05 subdivision 3 (a) this portion of the meeting will be closed to discuss staff performance reviews of those who are subject to the Lanesboro Public Utilities authority. The meeting was closed at 10:50. The meeting was reopened at 10:52 a.m. Administrator Peterson noted appreciation to Supervisor Wagner, Jeff Norby, and Troy Schiltz for a job well done, and for their commitment to the community. Member Bell motioned to increase Troy Schiltz's wages by \$.50 per hour and Jeff Norby by \$.61 per hour. Member Riggott seconded the motion. Vote was done by roll-call with all in favor. Motion carried.

Next Meeting: Tuesday, December 15, 2020 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Bell to adjourn the regular meeting of the Public Utilities Commission at 10:54 a.m. Motion was seconded by Commissioner Riggott. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk

Lanesboro Public Utilities
Regular Meeting
Tuesday, December 15, 2020 10:00 a.m.
Zoom with video and audio connections

Present: Jon Pieper, Elliot Riggott, and Don Bell
Absent: None
Staff Present: Jerod Wagner and Darla Taylor
Visitors: Mitchell Walbridge and Steve Sobieniak

Regular Meeting:

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

- A. **Agenda:** Member Pieper motioned to approve the agenda as submitted. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.
- B. **Consent Agenda:** Member Pieper motioned to approve the Consent agenda as presented. Member Bell seconded the motion. Vote was done by roll call with all in favor. Motion carried.
 - Minutes of the Regular Meeting, December 1, 2020
- C. **Staff Update:** Utilities Supervisor Jerod Wagner noted the following:
 - The Lanesboro School Interconnection Application has been submitted and is currently being reviewed by the engineers.
 - The oil analysis for the Fairbanks engine is complete and the results are good.
 - Farabee Mechanical will be providing an estimate for automating the engine.
 - Winter plans include measuring the media at the Water Treatment Facility, as well as interior painting at the facility.

Regular Business

- A. **2021 2022 Rebate Form:** Members reviewed the presented form, considerations were discussed for a rebate for recycling as well. Member Pieper motioned to table the discussion until the January meeting. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.
- B. **Electric Rates:** The basis for the rate structure was discussed, noting that the industry as a whole is migrating towards this type of structure. It was noted that current MiEnergy rates are: \$1.42/per day base charge, \$.11 for peak usage, and \$.074 for off peak usage. Discussion continued about the ability to meter peak and off peak usage, current meters are not capable of this. Supervisor Wagner will look into the potential cost to replace meters and software to read meters. Members also discussed generation capabilities as well as battery storage. Member Pieper motioned to table the discussion until the completed rate study can be reviewed. Member Bell seconded the motion. Vote was done by roll-call with all in favor. Motion carried.
- C. **Capital Projects:** Administrator Peterson reviewed the updated Capital Projects worksheet. Projects are now grouped within departments, so that as projects are completed funds can be transferred to other projects within the department. Secondary wire replacement, and valve

replacement will be started in 2021 as time allows. Supervisor Wagner discussed the idea of looking at the big picture as we look at community projects. Keeping in mind the condition of the pavement and the utilities. Wagner noted the importance of not focusing on a snapshot, rather look at the big picture.

D. Miscellaneous:

- a. **Hydro:** Member inquired about the operation of the Hydro. Supervisor Wagner noted that due to river levels being low, the hydro has not been able to be run since the dam renovation has been complete.
- b. **Power Plant Wall:** A contractor has not been identified yet to complete the repairs.

Next Meeting: Tuesday, January 19, 2021 at 10:00 a.m.

Adjourn Regular Meeting: Motion was made by Commissioner Bell to adjourn the regular meeting of the Public Utilities Commission at 10:56 a.m. Motion was seconded by Commissioner Riggott. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson
City Administrator/Clerk