

Lanesboro Public Utilities
Council Chambers
February 18th, 2014, 5:00 p.m.

Commissioners Present: Gerald Evenson, Chair
Dennis Schuck
Theresa Coleman

Absent: None

Staff Present: Jim Peterson
Jerod Wagner

Commissioner Evenson called the meeting to order at 5:00 p.m. Commissioner Coleman moved to adopt the agenda. Motion was seconded by Commissioner Schuck. Motion carried.

Commissioner Schuck moved to approve the minutes of the January 21st, 2014 meetings. Motion was seconded by Commissioner Evenson. Motion carried.

New Business

A. Award Construction Contract for Well Site #4

The PUC of Lanesboro, upon advice from Davy Engineering, tentatively awards the construction contract for Well Site #4 to Mark J. Traut Wells Inc. of Waite Park, MN. The award is contingent upon land acquisition for the well site and easement rights granted to the same. It is also subject to City Council Approval prior to the award. The base bid is for \$496,745.00.

B. Davy Engineering Update

Mike Davy of Davy Engineering was on hand to provide the PUC an update of the project to this point. Mr. Davy stated that once the treatment facility and new well is built, there will be no issues with the radium as the City will be getting rid of 2 deficient wells and add two new wells plus treated water. He indicated that one of the difficulties a contractor would face would be the depth of the well (over 1,000) and to insure that there is no interference with other wells. He indicated that prior to proceeding with the project, the City needs to have a deed for the land acquisition and also the easement in place prior to starting. Davy indicated that the rest of the project will be bid out once the PFA funding is in place. He also indicated that the cost of the total project will be adjusted prior to application for financing based on the increased cost of drilling the well.

Regular Business

A. Payables

Commissioner Coleman moved to pay expenses of the Lanesboro Public Utilities. Motion seconded by Chair Evenson. Motion carried.

B. Lanesboro Local Utility Bill

Administrator Todd briefed the PUC regarding the utility bill for the now defunct Lanesboro Local Store. The store had a utility bill of little more than \$1,400.00 which was attributed to an error regarding the meters. The person responsible for the bill indicated that the account could only stand to pay \$700.00 and asked that the PUC forgive the remaining amount. Todd advised the PUC that the City should collect the \$700.00 simply to gain some credit towards the account; essentially something is better than nothing regarding the collection of the bill. Chair Evenson advised Todd to collect the \$700 and then report back to the PUC in March.

C. Dona Conway Utility Bill

Administrator Todd advised the PUC that an angry resident had called the office to advise that she was not going to pay her utility bill due to the frozen pipes. She believed that the City should have warned residents sooner that pipes could freeze. Todd asked the PUC how they wanted him to proceed. Chair Evenson advised Todd to see what she pays for February and then bring the issue to the PUC in March if she does not pay.

D. Parkway Pub Shut-Off Notice (Update)

Administrator Todd advised the PUC that a second notice reminding Mr. Jeanette of the Parkway Pub that his utilities hook-up will be shut off if the full amount is not received by February 25th at the close of business day. The notices also provided Mr. Jeanette information regarding a hearing if he disputes any portion of his bill. He was advised via written notice that he needed to respond in writing to the City Office if he requests a hearing, otherwise, his utilities will be shut-off on February 26th for non-payment.

E. Freezing Water Pipes (Update)

Administrator Todd advised the PUC that to date, the City has around 20 customers affected by the freezing water pipes. The City Utility personnel have exhausted all avenues regarding a remedy for this situation. The only thing we can do at this point is to wait until spring for the pipes to thaw. The City is reducing the bill amount for those affected by an average monthly amount paid during the same time period from 2012 and deducting the amount from the current usage charges.

F. Water Ordinance 520 Water Regulations

The PUC was provided a proposed ordinance 520 for review. The PUC members were asked to look through the proposed ordinance to identify changes prior to implementation.

G. Water Ordinance 540 Rates and Charges

The PUC was provided a proposed ordinance 540 for review. The PUC members were asked to look through the proposed ordinance to identify changes prior to implementation.

H. Lanesboro Web Management Software Update (Cost Share with the City)

Administrator Todd advised the PUC that software related to the content management of the City's website has become obsolete. Dave Harrenstein of Lanesboro Web Management issued a letter advising us that the new software, page publisher, has become obsolete and will affect the way in which the information displayed on the City's website is presented and may impeded further information from being uploaded to the City site altogether. He indicated that a software patch is needed and will cost \$600.00 total (\$300 City and \$300 PUC). Motion was made by Commissioner Coleman to purchase the patch at a cost share with the City and that PUC will provide \$300 toward that end. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

I. Neneman Late Fee Waiver Request.

Administrator Todd advised the PUC that a request from Terry and Karen Neneman to have their late fees removed from their utility account. The late fees total \$752.10 and are a result no-payment of utility bills in some cases, and late payments in other cases. A payment history on the account shows that payments have been sporadically made since last year, resulting in significant late fees. Todd advised the PUC that if this were a case of hardship, a case could be made for waiving the fees. However, this seems to be a case of irresponsibility and that the late fees were the result of such. Motion was made by Chair Evenson to deny the request for waiver of the late fees. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

J. Interim Financing Update

Administrator Todd advised that the closing documents had been received by the City and that the first disbursement of funds is scheduled to be received February 18th, 2014 from Northview Bank in the amount of \$174,520.00

K. Miscellaneous

The PUC was provided a bill from the owner of the Bittersweet Boutique building. On his utility bill, it shows a charge for an extra meter that he does not have. Todd asked for clarification of the bill. Jared Wagner stated that there should not be an extra meter charge for this building but the issue will need some research. Meantime, the charge will be removed from the bill and credited.

L. Next Meeting: March 17th at 12:30 p.m.

Adjourn Regular Meeting:

Motion was made by Commissioner Coleman to adjourn the regular meeting of the PUC. Motion was seconded by Chair Evenson. Motion carried all in favor.

Respectfully Submitted:

David Todd
City Administrator