

**Lanesboro Public Utilities**  
**Regular Meeting, City Council Chambers**  
**Tuesday, February 21, 2017 5:30 p.m.**

**Commissioners Present:** Tom Dybing, Theresa Coleman, and Char Brown

**Absent:** None

**Staff Present:** Jim Peterson, Jerod Wagner, and Michele Peterson

**Visitors:** Tom Smith, Marge Drake, Peggy Hanson, Bethany Krom, Drue Ferguson, Brian Jeffers, Elaine and Mark Edwards, and Anna Loney

**Call to Order:** Commission President Dybing called the meeting to order at 5:30 p.m.

**A. Agenda:** Member Brown motioned to approve the agenda submitted with the additions of Anna Loney – LLI Funding request, Tom Smith – Sewer Bill, and February City Council Meeting Recap. Member Dybing seconded the motion. Motion carried with members Dybing and Brown voting yes, and member Coleman voting no.

**B. Consent Agenda:** Member Brown requested that item 2, Resolution 2017-01 be removed from the Consent Agenda. Member Brown motioned to approve the remaining Consent Agenda items:

- Minutes of the Regular Meeting, January 17<sup>th</sup>, 2017
- Accounts Payable

Member Dybing seconded the motion. Motion carried with members Dybing and Brown voting yes and member Coleman voting no.

**C. Utilities Staff Update:** Jerod Wagner presented several items:

- Automated Meter Reading System – Currently Tri County reads both electric and water meters for us. We have been experiencing a great deal of errors in the reads, which then requires that staff spends a significant amount of time hand reading those meters. Some recently made changes will hopefully lower the amount of errors.
- There was a newly scheduled meeting for UMMEG on Monday. They are discussing a potential solar project with Organic Valley. They are searching for communities to invest in the project. There is another meeting scheduled for this Thursday.
- The current LPU pick-up truck is 5 years old, with 30,xxx miles. Wagner will search out possible options and provide information next month.

**D. Resolution 2017-01:** Member Brown noted that although the members are privileged to have such information, the rate payers have not had access to the same information. Brown also noted the deficits in the water and sewer funds, as well as that the garbage is currently paying out more than the revenue received. Administrator Peterson noted that resolution 2017-01 was being presented due to the fact it should be an annual transaction. The current REU rate system provides revenue for both Bond payments and operating expenses. A similar resolution was presented during 2016 for the previous two years. The current resolution is representing revenue generated during 2016. Member Coleman motioned to approve resolution 2017-01 authorizing the transfer of Public Utilities Funds. Member Brown seconded the motion. Motion carried all in favor.

## Regular Business

- A. Brian Jeffers – Electric Usage Rate adjustment:** Mr. Jeffers was present to discuss a recent utility bill he had received. The bill for December 2016 usage was more than double the average bill for this property. LPU staff inspected and read the electric meter at the property and found no issue. Jeffers then determined that it was in fact a chest freezer that was pulling the extensive electric usage. He has since replaced the freezer, and the electric usage appears to have reverted back to the normal average. Administration had waived the first month's late fees. Member Brown motioned to waive the late fees for an additional two months. Member Dybing seconded the motion. Member Coleman noted that staff could set the arrangements with the customer. Motion carried with members Dybing and Brown voting yes, and member Coleman voting no.
- B. Sewer Cleaning Proposals:** Jerod Wagner noted that the current contract for sewer cleaning is due for renewal. Wagner provided two quotes from different companies. Questions were raised regarding mobilization fees and emergency costs. Wagner will complete further research and report back next month. Member Coleman inquired if the water used during the cleaning could be metered. It was noted that indeed that was a possibility.
- C. Waste Water Treatment Facility:** Administrator Peterson referred to the letter from Bolten and Menk with regard to possible upgrades to the current facility, noting that repairs are needed and planning should continue. Member Coleman asked that Midwest Assistance be contacted to verify the services they offer. Member Brown noted that in light of the needed repairs; discussion should be had regarding planning. Jim Peterson noted that the facility is currently compliant with the MPCA. It was stated that there is generally an inspection done every five years, inspections are done at random.
- D. Continued Business:**
  - 1. Off Peak Credit:** Discussion will be continued next month. Data was not available to support the discussion.
  - 2. SEMCAC:** Administrator Peterson provided a sample contract from SEMCAC for possible distributing the local income conservation improvement funds. Member Coleman motioned to approve Peterson to continue working with SEMCAC. Member Brown seconded the motion. Motion carried all in favor.
- E. Miscellaneous:**
  - 1. Anna Loney – LLI Funding Request:** Loney requested funding for a speaker fee for Lanesboro Landscape Improvers. LLI is partnering with the Friends of the Root River for the lecture. Member Coleman motioned to approve funding of \$100, \$50 to go towards the speaker fee and \$50 towards advertising and promotion. Member Dybing seconded the motion. Motion carried all in favor.
  - 2. Tom Smith – Sewer Back up:** Smith noted that that this was the third time his sewer had backed up. The previous two times he has paid for the charges to clear the line. Most recently he experienced another back-up at a similar time as another issue across the street. He is requesting that the charge he received be turned into insurance. Administrator Peterson will follow through with the request.
  - 3. February City Council Recap:** Council member Jason Resseman provided a recap of the City Council Meeting: There was a presentation by a resident regarding the REU rate system, Council ultimately chose against the recommendation of the LPU Commission; Resseman noted that the Council relies on the Commissions to provide background information. Resseman then discussed the Code of Conduct, noting that the City's work takes a team effort; he felt that once a decision had been made all members should publicly support the decision. Several members of the audience then provided

discussion regarding the code of conduct, protocol for allowing audience members to speak, as well as future inquiries into the rates structure. Member Dybing then questioned whether the City Council or the Public Utilities Commission has the authority to make decision. Member Brown noted she had submitted a request for clarification on the legal limits to the authority of the Public Utilities Commission. Brown also noted that the statute defining a commission states there is a president, not a chair, she requested this be changed moving forward.

**Next Meeting: Tuesday, March 21<sup>st</sup>, 2017 at 5:30 p.m.**

**Adjourn Regular Meeting:** Motion was made by Member Coleman to adjourn the regular meeting of the Public Utilities Commission at 6:38 p.m. Motion was seconded by member Brown. Motion carried all in favor.

Respectfully Submitted,

Michele Peterson  
City Administrator/Clerk