

Lanesboro Public Utilities
Council Chambers
October 20th, 2014, 1:00 p.m.

Commissioners Present: Gerald Evenson, Chair
Theresa Coleman, Dennis Schuck

Absent: None

Staff Present: Jerod Wagner

Visitors: Rick Lamon and Phil Dybing

Commissioner Evenson called the meeting to order at 1:00 p.m. Commissioner Coleman moved to adopt the agenda and table item F to be discussed at a subsequent meeting. Motion was seconded by Commissioner Schuck. Motion carried.

Commissioner Coleman moved to approve the minutes of the September 23rd, 2014 meetings. Motion was seconded by Commissioner Schuck. Motion carried.

Persons with Interest before the Commission

A. Rick Lamon-Stone Mill Inn and Suites

Rick Lamon was on hand to discuss the Stone Mill Inn and Suites REU rate and to advise the Commission that he had hired a plumber and had discovered a leak in his water treatment system. Mr. Lamon was requesting that the PUC reconfigure his business' REU rate taking into account his water leak. He indicated that the leak was substantial and he felt as though a new average calculation would lower his REU to a manageable level. Motion was made by Commissioner Coleman to re-evaluate the usage for Stone Mill based upon an average usage following the repair of the leak. Mr. Lamon is to advise the City Office when the leak is fixed so that the Deputy Clerk can tabulate a new average based on new usage calculations and meter readings. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

Regular Business

A. Payables

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

B. 3rd Quarter Financial Report

The PUC was provided a 3rd quarter financial report for the Lanesboro City Utilities accounts. There was nothing exceptional within the report. The Commissioners had a chance to view the report over the weekend prior to the meeting on today's date. There were no questions fielded regarding this report and no action taken by the Commission to that end.

C. Resolution on UMMEG Membership

The Public Utilities Commission was presented a resolution to join in membership with the Upper Midwest Municipal Energy Group, thereby consolidating its membership with one entity rather than two (UMMPA and WWMPG). By joining UMMEG, this should allow Minnesota Municipal Utility Providers to be on the Board of Directors and cut costs associated with the administration of the group (such as a single audit and utilization of one attorney rather than multiple ones, etc.). Motion was made by Commissioner Coleman to sign the resolution in support of Lanesboro PUC joining the UMMEG as a member utility. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

D. Letter from Lanesboro Golf Club Board of Directors

Phil Dybing from the Lanesboro Golf Club Board of Directors was on hand to discuss the new REU rate structure and how it will affect the Lanesboro Golf Club. Mr. Dybing was concerned that the REU rate for the Golf Club was too high. He was advised that the REU was based on an average number of gallons used for FY 2013. The Golf Club used 1.3 Million gallons during that span, which was tabulated into an REU assignment of 38 for the club. According to Mr. Dybing's calculations, this would raise the clubs water bill by an average of \$12,000 per year and that they simply could not survive as an organization with this new rate structure. Mr. Dybing indicated that the club would need to investigate the possibility of digging its own irrigation well and remove itself from the City's water service as an avenue of recourse. Administrator Todd advised that he would contact the DNR and Health Department in order to find out what the protocol would be for the club to dig its own well and what the possible restrictions would be. The PUC elected to table this discussion until more information was obtained. No further action.

E. Sample Ordinance Mandating Connection to City Water System

Administrator Todd provided the PUC with a sample ordinance mandating the connection to the City's water system for all users within the city limits. The PUC elected to table this item until a subsequent meeting.

F. Sponsorship for the Kiosk and Signage at the Power Plant Parking Lot-Lanesboro Arts Center

Jon Davis from the Lanesboro Arts Center was on hand to seek sponsorship of the kiosk and signage at the Bass-Pond and Power Plant. At his request, the PUC tabled this item until a subsequent meeting.

G. Sponsor Program at the Lanesboro Public Library-Library Board

Commissioner Coleman advised the PUC that the library board was requesting a donation, similar to the one provided last year, to sponsor events at the public library. The request was for a donation in the amount of \$200.00. Motion was made Commissioner Coleman to approve the donation in the amount of \$200.00 for the Lanesboro Public Library. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

H. Solar Light Demonstration for Walkway Under County 8 Bridge-Theresa

Commissioner Coleman indicated that the walkway under the County 8 Bridge could use some lighting. She indicated that the lighting could entice users of the walkway to walk towards the downtown businesses at night rather than using limited street parking. Asst. Utility Superintendent Wagner stated that there is a light under the bridge that is inoperable at this time but he would look into repairing or replacing it. No action taken at this time.

I. Miscellaneous

Utilities personnel advised the PUC that they need to replace an air compressor at the light plant. The machine costs approximately \$4,100.00 but is needed in the daily operation of the utilities. Motion was made by Commissioner Evenson to allow the purchase of the equipment. Motion was seconded by Commissioner Schuck. Motion carried all in favor.

Jared Wagner advised the PUC that the water system on Circle Drive needs to be addressed soon. He indicated that the homes in that area are not connected to the main and thus not connected to the current water system but rather by a well. He indicated that they should be compelled to connect to the City system so that the City can manage their water utility infrastructure rather than the private system they currently use. To be discussed next meeting.

Next Meeting: Monday, November 17th, 2014 at 1:00 p.m.

Adjourn Regular Meeting:

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

Respectfully Submitted:

David Todd
City Administrator