

UTILITIES COMMISSION MEETING
April 29, 2024

A regular meeting of the City of Jackson Utilities Commission was held in the Council Chambers of City Hall at 4 p.m. on Monday, April 29, 2024 with the following persons present: Utilities Commission Chairman Kevin Siepker, Vice-Chairman Mike Schwartz and Commission members Sandy Phillips, Dennis Hunwardsen and Joe Marthaler. Also attending were City Administrator Shelley Oltmans, Public Works Director Tony Oxborough, MRES Jackson Distribution Maintenance Foreman Tony Nitchals, City Utility Billing Clerk Marcy Hassing and Recording Secretary Dave Maschoff. (Utilities Commission members Jenna Schwartz and Sara Mix were absent.) (A quorum of the Utilities Commission was present.)

OPEN THE MEETING

Chairman Kevin Siepker called the regular meeting of the Utilities Commission to order. Siepker noted a quorum of the Utilities Commission members were present.

WELCOME NEW CITY ADMINISTRATOR SHELLEY OLTMANS

Siepker welcomed and introduced new City Administrator Shelley Oltmans to the Utilities Commission members.

APPROVE THE MINUTES FROM THE FEBRUARY 26, 2024 UTILITIES COMMISSION MEETING

Siepker asked if there were any additions, corrections or issues regarding the minutes of the February 26, 2024 Utilities Commission meeting.

PHILLIPS/HUNWARDSEN moved and it was unanimously carried to approve the February 26, 2024 Utilities Commission minutes.

DEPARTMENTAL REPORTS

Electric Department

MRES Jackson Distribution Maintenance Foreman Tony Nitchals said the Electric Department has been working on removing a few electric meters from poles and putting them on pedestals.

Nitchals said the Electric Department did a trans-closure change-out on Springfield Parkway.

Nitchals noted the Electric Department is ready to begin construction projects. He said they are waiting for the contractor to arrive to begin work at the Belmont Heights housing area.

Nitchals said the Electric Department took care of a couple of electric services on First Street to eliminate a couple of wood utility poles.

Nitchals said ITC wants to upgrade a couple of their relays at the City's north electric substation and eliminate a relay on the City's end. He said the engineer says the cost is estimated at \$23,000. Nitchals said as far as he knows right now, ITC will reimburse the City for the cost because the relays are on ITC's end.

Nitchals noted MRES has hired a summer intern for up to 1,000 hours. He said the intern will be working with the Electric Departments in Jackson and Lakefield. Nitchals said the intern will be starting his duties on May 6th.

Public Works Department

Public Works Director Tony Oxborough reported he spoke with officials at Burger King in Jackson who said they are going to get their camper dump station up and running with water. He said Burger King is going to pay for the water and have the dump station as an amenity.

In other news, Oxborough said the first discharge of water was conducted from the lagoon ponds and water samples were taken. Oxborough noted the suspended solids floating in the water was higher than he wanted, but phosphorous levels were really low and really good.

Oxborough said some water was moved over for a second discharge just in case it keeps raining as it has been. He said otherwise, the lagoons are set to make it through the summer at this point. Oxborough said an evaluation will be made as they move forward.

Regarding the Water Plant Project, Oxborough said things are moving in the right direction. He noted he had some issues regarding chemical suppliers providing the right equipment for the Water Plant. Oxborough said the quality of the City's water has improved. He said to him the water is much better and cleaner. Oxborough said the Water Department may be flushing the system a couple of times this spring to freshen up the system.

Phillips asked about the park projects the Public Works Department has been doing.

Oxborough said park projects have included upgrading the dugouts and working on the lightings at Albertus Field, tree work in Benes Park, installing a boat launch in Benes Park, lighting up all the trees in Memorial Park, installing a lookout on the former TV Tower hill, moving the volleyball courts back to Ashley Park and installing a big sand box park along Louis Avenue and work on the dog park.

Phillips noted the pirate ship in the park along Louis Avenue is really cute.

Oxborough said the Street Department personnel made the pirate ship.

Siepkner thanked Oxborough for his report.

UPDATE ON EMAILING UTILITY BILLS

City Utility Billing Clerk Marcy Hassing reported the City spent a little over \$1,000 a month in postage to mail utility bills. She said she's heard postage rates are also going to go up.

Hassing said to start up the email utility billing system would cost \$3,800 and then \$2,476 per year.

Hassing noted there have been 235 people that have signed up online on the City's website to have their utility bills emailed to them. She said the City has just a little over 1,600 utility bills that the City mails. Hassing said 235 people wanting to have their bills emailed to them without having the email service even set up yet is a nice start.

Hassing said they are also setting up a “texting” so customers can receive a message regarding their utility bill. She said the customer can then click the text message and the customer can text to pay their bill. Hassing said it costs the customer a \$1.25 to pay their bill by text. She noted if customers come into City Hall to pay their bill with a credit card, the service fee is \$1.00 and if they pay their bill online, the service charge is a little bit more than a dollar so the service fee for texting is in line with other service charges.

Hassing said there are customers the City is already emailing bills to. She said a lot of businesses want their utility bills emailed to them and do not want a hard copy.

Hassing said of the 235 customers who receive emails, they can also receive a hard copy by going to the City’s website and printing out the bill on their home printer.

Hassing pointed out with the AMI metering system, people don’t have to read their meters and are signing up for the auto-pay service. She explained that way customers don’t have to bother to write a check and bring it to City Hall.

Hassing said if people would sign up to have their utility bill emailed to them, it will save the City money and save staff time by not having to stuff bills to mail. She said it costs around \$200 for the City office staff to stuff the bills and just over \$1,000 to mail the bills. Hassing suggested the City possibly having a promotion as an incentive to get customers to sign up to have their utility bills emailed to them.

Siepkner asked if a customer could sign-up for emailing bills to them without signing up for auto-pay.

Hassing said you could sign up for billing emails without auto-pay. She noted the email billing and auto pay will provide for a lot less work for City Hall staff and will free up their time.

Schwartz asked about the results of the surveys that were posted on the City’s Facebook page asking if people were interested in having their utility bills emailed to them.

Hassing said there were 147 responses and 64 percent said “yes” and 36 percent said “no”. She said the survey was posted for one week on Facebook. Hassing said the survey question asked “Would you want your utility bills emailed”.

Hassing said she thinks the emailing of utility bills will be popular. She said customers with the AMI meters don't have to read their meters anymore and emailing of the bills will also be a convenience. Hassing noted the efficiency of emailing and cost savings for the City in staff time. She said it may also eventually save on the ordering of paper and envelopes for sending out bills. Once the emailing of bills is launched, Hassing feels it will become more popular by word of mouth as people find their acquaintances, friends and neighbors are using it.

Siepkner asked if a person could sign up for having their bill emailed to them, but still write a check and bring it down to City Hall.

Hassing said a customer could do that.

PHILLIPS/SCHWARTZ moved and it was unanimously carried to recommend to the City Council to move forward in offering the option for City Utility customers to have their utility bills emailed to them.

OVER AND UNDER READ WATER METERS

Hassing explained the City currently has a ruling right now to give back anything over and under as old meters are switched out to the new AMI meters. She said the ruling was established in June of 2022. Hassing said the City is giving back anything that's over-read for electric and water which has kind of been fine and interesting.

Hassing said the past practice was that the City had only given back 12 months if somebody had a stuck water meter or electric meter. According to past practices, she said the City would calculate and give back charges going back for a period of 12 months.

Hassing said at the meeting in June of 2022, the Utilities Commission decided the City would just give back everything over and under indefinitely.

Hassing said there have been some issues, but now she's finding more that there are some instances where it's longer than 12 months. She suggested adding to the policy that the City only go back 12 months. Hassing said she contacted the League of Minnesota Cities regarding water issues. She said the League said State Law allows Utilities to seek recovery of underpayments for the last six years and the same regarding overages. However, Hassing said regarding electric, the Minnesota Public Utilities Commission is a 12-month ruling.

Hassing explained the reason she wants to see the ruling at 12 months. She asked what is the burden of responsibility on the utility customer that was supposed to read the meter every month. Hassing said she has one customer that she would like help in deciding and getting guidance on what to do. She explained the City changed out a customer's water meter. Hassing explained the customer had been providing the City a water meter reading continuously every single month. She said she went back to 2016 and the customer has been providing a water meter reading every month. Hassing said the customer is 542,000 gallons overread to what the City swapped the meter out on. She noted the read-o-matic and the basement water meter actually match which isn't always the case so they can't say the City was reading one meter and not the other.

Hassing said if she goes back and gives an estimated usage of what she thinks this customer used in water, the City is giving back \$6,300. She said if the City gives back everything without using estimated usage, the City is giving back \$7,600.

Hassing said there are two directions that could be taken. She said that's why she suggesting the City go back only 12-months. Hassing said situations like this should be less of an issue with the AMI metering. But she noted there have been incidents where an AMI Electric Meter looked great and had been checked by three different Electric Department personnel but then it was discovered the meter had been stuck and was only registering usage of only eight kilowatts every single month. Hassing said it was a meter issue so incidents can still happen with an AMI meter. She said that's why she suggesting going back only 12-months. Hassing said her other question is how does the Utilities Commission want her to give back the overage.

Oxborough said the problem in the incident Hassing is talking about was a stuck meter. He said since 2016 the homeowner had been turning in water meter readings until March of 2024 when the Water Department swapped out the old water meter and installed an AMI meter. Oxborough said Hassing then discovered that the person's old water meter hadn't moved since 2016.

Hassing said the person had been turning in readings of 1,000 to 2,000 gallons per month. She said the person than was adding 1,000 to 2,000 gallons every month. Hassing said then for some reason in 2020, the person started adding 8,000 to 10,000 gallons per month. She said she sent a post card a couple of times and called the person asking about the increase in water usage.

Hassing said her household doesn't used 8,000 to 10,000 gallons a month. She said the person said everything was fine after asking them three different months about it and they kept doing that. Hassing said she was pretty sure at this point that the customer was submitting a reading of 8,000 to 10,000 gallons per month. She said previously it was 1,000 to 2,000 gallons per month. Hassing said the person's water meter had been stuck since 2016 and no one had said anything until the Water Department changed the old water meter to a new AMI water meter. She said the Water Department tested the old meter and it was stuck.

Oxborough asked if it's the homeowner's responsibility to alert the City when the water meter is not working or does the City reimburse the person a year's worth because the City thinks the person overread. He said there's no good information here. Oxborough said the customer is paid up to this point.

Siepkner said the City doesn't have any idea of how much water the customer used.

Hassing said that was correct but is pretty sure it wasn't 8,000 to 10,000 gallons of usage a month.

Siepkner said it's known it was not that much, but it's unknown how much water the customer really used.

Oltmans asked if the City has anything stated in policy.

Hassing said currently the policy says the City will give the overage amount back to the customer, but there's no timeline. She said that's what she would like to add is a timeline of up to 12 months. Hassing said that would be her recommendation.

Oxborough suggested since a new AMI water meter is now installed at that residence, how much water is used per month could be determined over the next three months and a reimbursement amount calculated going back a year.

Hassing said the City's policy that was implemented in June of 2022 just needs to be updated to include overages or under-reads up to 12 months. She said the policy would be that customers would either be charged for underread meters or reimbursed for overread meters for a period up to 12 months. Hassing said incidents like this should be few and far between with the AMI system.

Siepkner asked for a motion regarding updating the City's policy to include that the City can go back for a period of 12 months regarding reimbursement for over-read and payment for under-read water and electric meters.

MARTHALER/PHILLIPS moved and it was unanimously carried to recommend to the City Council to update the City's Policy that the City can go back for a period of up to 12 months regarding reimbursement for over-read or payment for under-read water and electric meters.

Hassing asked about how much the reimbursement to the customer should be for water and sewer in the recent case she described.

Phillips suggested collecting information on what the customer's average usage with the new AMI meter is and then make a determination. She said that information could be brought back to the Utilities Commission at a future meeting.

Other:

Hassing noted there is one electric meter that is inside a house. She said there is an electric meter outside the house, but the property owner will not allow access for the Electric Department to remove the old meter that's inside the house. Hassing said the City is currently charging that person \$50.00 a month for the meter since the property owner hasn't allowed the Electric Department access inside the house. She asked if the \$50.00 per month charge is indefinite. Hassing asked if the charge is forever or if after a year, they could be told their power will be shut off if the meter is not removed.

Oxborough said shutting off power might be a legal issue.

Hassing asked if she needs to keep calling the customer. She asked if anyone would mind if she tells them a couple of times that the City is charging them \$50.00 a month on their utility bill and then after that just keep charging them.

Phillips suggested sending the customer a registered letter saying the extra \$50.00 a month charge will continue until the meter is removed.

Hassing asked if she should be done trying to contact the customer after the registered letter is sent.

Phillips said to file a copy of the letter somewhere where City office staff knows where it's at.

Hassing said a copy of the letter could be placed in the customer's property file.

Nitchals said because it's been so long, he suggested increasing the charge from \$50.00 to \$100.00 a month.

Siepkner concurred with Nitchals.

Oltmans said the City wants compliance. She asked if having the meter in the house is a safety issue.

Nitchals said not really. He said the Electric Department wanted to get a true final reading off the old meter inside the house. Nitchals said they've talked to the property owner about a time to remove the meter, but either the customer is not home and doesn't honor the previous set appointment or the customer won't let anyone in the house because the Electric Department is told a family member is sick and they don't want anyone to come into the house. Nitchals said they've had electricians lined up three times and then the customer did not honor the appointments.

Hassing said the customer has wasted a lot of time for the Electric Department.

Siepkner suggested after a period of time, increasing the monthly charge for them to keep the meter inside the house.

Hassing said the City office could wait to see how many people refuse to have their water meters changed and then make a determination about increasing the extra charge.

Oxborough said he thinks the extra monthly charge of \$50.00 covers the City's cost of not updating technology-wise.

Regarding the electric meter inside the house, Phillips said to send the customer a registered letter that the customer has to sign for so the City Staff knows they have received it and have the information. She noted that should cover any issues.

Hunwardsen pointed out the meters are owned by the City. He asked if the City could go to court to retrieve the meter.

Oltmans said she could talk to City Attorney Brad Anderson to see what that would entail.

Hunwardsen said the meters are City property and City crews should be able to have access and remove the old meters as quick as possible and be done with it.

Hassing said that's what City staff tried to tell the customer who still has the old electric meter inside their house. She said the customer was told the electric meter is City property and all the City wants to do is remove it. Hassing said the removal would take about 15 minutes tops.

ADJOURNMENT

With no further business, Chairman Siepker asked for a motion to adjourn the meeting.

MIKE SCHWARTZ/JOE MARTHALER moved and it was unanimously carried to adjourn the Utilities Commission meeting at 5:04 p.m.

Siepker thanked everyone for attending.

David A. Maschoff, Recording Secretary

