

**UTILITIES COMMISSION MEETING**  
**February 28, 2022**

A regular meeting of the City of Jackson Utilities Commission was held in the Council Chambers of City Hall at 4 p.m. on February 28, 2022 with the following persons present: Utilities Commission Chairman Kevin Siepker, Sandy Phillips, Joe Marthaler, Jenna Schwartz and Dennis Hunwardsen. Also attending were City Administrator Matt Skaret, Street Superintendent Phil Markman, Water/Wastewater Superintendent Tony Oxborough, Missouri River Energy Services Electric Distribution Superintendent Jeff Becthold and Recording Secretary Dave Maschoff. (Utilities Commission members Michael More and Mike Schwartz 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.

**APPROVE THE MINUTES FROM THE OCTOBER 25, 2021 UTILITIES COMMISSION MEETING**

Siepker asked if there were any additions, corrections or issues regarding the minutes for the October 25, 2021 Utilities Commission meeting. Hearing none, Siepker asked for a motion to approve the minutes.

**PHILLIPS/JENNA SCHWARTZ moved and it was unanimously carried to approve the October 25, 2021 Utilities Commission minutes.**

**APPROVE THE MINUTES FROM THE NOVEMBER 29, 2021 UTILITIES COMMISSION MEETING**

Siepker asked if there were any additions, corrections or issues regarding the minutes for the November 29, 2021 Utilities Commission meeting. Hearing none, Siepker asked for a motion to approve the minutes.

**PHILLIPS/JENNA SCHWARTZ moved and it was unanimously carried to approve the November 29, 2021 Utilities Commission minutes.**

## **APPROVE THE MINUTES FROM THE DECEMBER 20, 2021 UTILITIES COMMISSION MEETING**

Siepker asked if there were any additions, corrections or issues regarding the minutes for the December 20, 2021 Utilities Commission meeting. Hearing none, Siepker asked for a motion to approve the minutes.

**PHILLIPS/JENNA SCHWARTZ moved and it was unanimously carried to approve the December 20, 2021 Utilities Commission minutes.**

## **WELCOME DENNIS HUNWARDSSEN TO THE UTILITIES COMMISSION**

Siepker welcomed Dennis Hunwardsen as a new member of the Utilities Commission. He thanked Hunwardsen for volunteering to be a member of the Utilities Commission. Siepker said having a vacancy filled on the Utilities Commission will help in having a quorum for meetings in instances where not all the members can attend.

## **DEPARTMENTAL REPORTS**

### **Water Department**

Water/Wastewater Superintendent Tony Oxborough said the Water Department has basically been working on truck maintenance. He said the City Council recently approved the purchase of a new pickup truck for the Water Department. Oxborough said the new pickup will replace the oldest pickup currently in the Water Department's fleet.

Oxborough said there was nothing new to report regarding when the antennas will arrive for the 400 AMI meters the Water Department currently has in stock.

Oxborough said a person was just interviewed to fill a vacancy in the Water Department staff.

Oxborough reported the Water Department's new project is going to be repurposing the old ground storage water tank at the Water Plant. He said the Water Department staff have removed the ladder off the tank, have removed the pipes in the inside of the tank and cut and patched the pipes on the outside. Oxborough said a door will be cut into the side of the old water tank and it will be used for storage.

Jenna Schwartz asked if the old tank will stay in its current location.

Oxborough said the tank will stay in its current location. He said the plan is to paint it royal blue similar to the new water storage tank and paint a Husky on it.

Oxborough reported there have been four water leaks so far this winter. He said the most recent leak was on State Street at the far end of town. Oxborough said the frost is down to 48 inches. He noted if the frost goes down any further, there may be some people who have issues with their water line freezing.

Oxborough said if it rains on Friday, March 4<sup>th</sup>, as predicted, it may drive the frost deeper, but if it stays nice and warm, the frost may come back out. He said we'll wait and see.

### **Street Department**

Street Superintendent Phil Markman reported there are some water intakes in town that are currently plugged up as the snow is melting. He said some of the shallow intakes is where water has been found to be standing. Markman said the Street Department will jet those intakes open tomorrow (March 1<sup>st</sup>). He said there are a couple of intakes that will be jetted along North Highway that include the intake at North Highway and Park Street and North Highway and Fourth Street. Markman said the Street Department personnel have been chopping ice to get the water to run to the intakes. He said an intake in the parking lot at City Hall is also froze up. Markman noted that's a real shallow intake.

Markman said the Street Department has been helping the Electric Department trim trees and hauling branches away for them.

Markman noted a contractor is removing trees from the Meneely property north of Jackson as part of the airport project. He said the contractor is hauling the trees to the City's tree dump. Markman said if moisture falls in either the form of rain or snow and the wind is calm, the Street Department will probably burn at the dump. He said they want to burn those trees so the dump is ready when spring arrives to make room for the trees and branches residents haul to the dump.

Markman noted the Street Department plowed snow last week (February 20<sup>th</sup> through the 26<sup>th</sup>) and this week it's 50 degrees.

### **Electric Department**

Missouri River Energy Services Electric Distribution Superintendent Jeff Becthold reported the Electric Department has been trimming trees. He said if the weather cooperates, tree trimming on the east side of Jackson should be completed by the end of the week. Becthold said tree trimming will then take place on the west side of town around the electric service lines that didn't get buried.

Becthold said the Electric Department has completed maintenance on their trucks and they're ready to roll.

Becthold said the Electric Department is working on projects for some areas of town that have had problems this winter with the older underground electric wires that they want to replace.

Becthold said the Electric Department is ordering materials for a new retail store near the Interstate in Jackson and getting things laid out for that. He said some materials will need to be ordered, but the Electric Department has a transformer on hand for the new store which is the main component. Becthold said they actually have two transformers on hand that would be suitable for the store. He informed Skaret that prices are coming in for the rest of the materials.

Becthold said Missouri River Energy Services is advertising to hire a new crew leader in Jackson. He said the application deadline closes on March 11<sup>th</sup>. Becthold said candidate interviews will begin after that.

Siepkner thanked Becthold for his report.

## **MRES ELECTRIC DISTRIBUTION MAINTENANCE AGREEMENT**

Skaret explained the City of Jackson's five-year agreement with Missouri River Energy Services is expiring on May 30, 2022. He said in the past the agreement has always been for five years. Skaret said the City has been contracting with Missouri River Energy Services for 15 years.

Skaret said for consideration by the Utilities Commission is a new five-year contract proposed by Missouri River Energy Services. He said it's pretty much the same as the previous agreements. Skaret said there were some minor technical changes in the proposed contract. He said he and City Attorney Brad Anderson had both reviewed the proposed contract.

Skaret said Missouri River Energy's changes in the proposed contract include that this contract is for another five years but then after that the contract automatically renews on a year-to-year basis.

Becthold said at the end of the next five years, Missouri River will probably propose another five-year contract. He noted Missouri River's contract with the City of Ortonville, Minnesota has been on a year-to-year basis for almost 10 years. He explained the year-to-year contract is difficult for the Electric Department employees in Ortonville not knowing if they'll continue for another year.

Becthold said a five-year contract with an automatic renewal on a year-to-year basis at the end of the five-years allows both parties to have time to make changes if either party doesn't want to do anything with a new contract right away.

Skaret said if Missouri River Energy Services decided they didn't want to service Jackson anymore or the City decided they wanted to go alone again and hire their own Electric Department crew, both the City and Missouri River Energy have to give each other a year's notice.

Skaret noted the City of Jackson now has a shared electric crew with the City of Lakefield. He said he thinks it's saving both communities money.

Becthold agreed.

Skaret said it's probably saving the City of Jackson about \$100,000 a year because of the ability to share staff between the two communities and without any decrease in service.

Becthold said there are two Missouri River crew members in Lakefield and two in Jackson. He said the crew leader spends most of his time in Jackson but also needs to spend some time with the crew members in Lakefield. Becthold explained when there's a bigger project in either community, then the two crew members from either Lakefield or Jackson come over to help.

Hunwardsen asked how many Electric Department employees would be included with the proposed five-year agreement.

Becthold said there would be five including the crew leader when fully staffed.

Skaret said from his perspective, he thinks the City works pretty hand-in-hand with Missouri River Energy. He said there's not a lot of difference in the communication and control aspect in contracting for electric services compared to when the City had its own Electric Department. Skaret said it's pretty seamless as far as he can tell. Skaret said in the last five to seven years, there's been a lot of progress in upgrading the City's electric system by burying the overhead electric lines underground. He said the City has also received a lot of technical assistance from Missouri River Energy. Skaret said he thinks being part of a larger organization like Missouri River provides the opportunity to pay more competitive wages and saves the City money by not having to worry about pay equity. He noted cities that have their own electric department and pay their own staff. In those cases, Skaret said in order to pay the electric staff enough to attract qualified candidates, it throws their city pay scale out of whack. He said those cities then end up falling out of compliance with the Minnesota Pay Equity Act and it gets to be a lot of heartache.

Jenna Schwartz asked if a motion was needed to renew the five-year Distribution Maintenance Agreement between the City and Missouri River Energy Services.

**JENNA SCHWARTZ/MARTHALER moved and it was unanimously carried to recommend to the City Council to approve renewal of the Missouri River Energy Services Distribution Maintenance Agreement for five years beginning June 1, 2022.**

## **ELECTRIC DISCONNECT/RECONNECT PROCEDURES**

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Skaret noted the Utilities Commission discussed electric disconnect and reconnect procedures at their December meeting.

Skaret said with the new AMI electric meters, it's different as far as reconnecting customers when they've been disconnected for non-payment of their bill. He said it used to be with the old electric metering system, if someone needed to be reconnected after business hours, the customer would call the Law Enforcement Center. Skaret said the customer would have to basically agree to pay \$160 to be reconnected after hours. He said whoever was on-call with the Electric Department came out and reconnected the customer. However, Skaret said with the new AMI meters, they get reconnected by computer at City Hall. He said the Electric Department Staff doesn't have the ability to go out and reconnect customers anymore after hours.

Skaret noted a lot of different things were discussed at the last Utilities Commission meeting. He said one of the options mentioned at the last meeting was where the electric power would be turned on for a half-an-hour and then shut-off for a half-an-hour until the electric bill was paid. Skaret noted that option was looked into but the City's electric meter vendor doesn't have the capability to do that.

Skaret said the City never shuts a customer's electric power off on a Friday and never the day before a holiday. Also, he said what the City has been doing this winter is if there was really cold weather and it might get cold enough where it could damage water pipes, the City has been turning the electricity back on before the City Hall offices close for the day at 4:30 p.m. so the customer has electricity and heat overnight. Skaret said if the customer doesn't pay the electric bill in the morning, then the electricity is shut off again. He said that procedure seems to be working well.

Siepkner asked if that gets the customer's attention.

Skaret said it does get the customer's attention.

Skaret said he doesn't know if the City needs to do something different regarding electric disconnects and reconnects or have something in writing. He said he came up with some language that said *"it shall be the policy of the City of Jackson to reconnect electric services only during City Hall's normal operating hours that were disconnected due to nonpayment. In the event that the lack of electricity could cause harm to a property's water pipes, the electricity may be reconnected prior to staff leaving for the day and be shut off at the start of the next business day"*. He said that would be basically following the current practice if the City wanted to have something in writing.

Siepkner asked if that's been the City's new practice with the new electric meters.

Skaret said that's been the practice.

Siepkner asked what the practice was before the new electric meters were installed.

Becthold said before the new AMI electric meters were installed, an Electric Department staff member would normally meet the customer at City Hall. He said there were reconnect sheets in the City Hall's front entryway that the customer would sign promising they would come to City Hall by 9 a.m. to pay their bill and the reconnect fees. Becthold said then the Electric Department staff person would physically go to the property and remove the disconnect items and plug the electric meter back in. He said with the new AMI electric meters, the disconnect is done by computer in the City Hall office and the Electric Department doesn't have the capability of turning the customer back on after hours.

Hunwardson asked if the City has a lot of electric bills that are delinquent.

Skaret explained the procedures when someone's electric bill is delinquent. He said first the person gets the disconnect notice. Skaret said then the customer has to come in and basically declare an inability to pay and sign an agreement to pay their bill then, or to prevent from being disconnected, pay a minimum of 25 percent of their utility bill. He said that way the customer is always paying something. But Skaret said the if the customer does not come into City Hall and sign the form, that's when the disconnect/reconnect would kick in.



If the City approves a written policy regarding electric disconnects/reconnects, Becthold suggested including a copy of the policy with the disconnect notice.

Following further discussion, Siepker asked for a motion regarding a written policy.

**MARTHALER/PHILLIPS moved and it was unanimously carried to recommend to the City Council a written City policy regarding electric disconnects/reconnects that states that it shall be the policy of the City of Jackson to reconnect electric services only during City Hall's normal operating hours that were disconnected due to nonpayment. In the event that the lack of electricity could cause harm to a property's water pipes, the electricity may be reconnected prior to staff leaving for the day and be shut off at the start of the next business day.**

Phillips asked what if a customer's electricity goes off after business hours due to something other than a nonpayment of a utility bill.

Skaret said that's a different case and the Electric Department would come to restore power.

Phillips asked if someone would have to come down to City Hall to turn the power on in those cases.

Becthold said in those cases, the Electric Department has the means to make the repair and restore electric power to a residence.

Siepker suggested sending a copy of the City's policy regarding disconnects/reconnects for nonpayment of electric bills to the Law Enforcement Center (LEC). He said if the LEC gets a call after someone's power is shut off, the Law Enforcement Center personnel are aware of the City's policy and can inform the caller about it.

Skaret said that can be done.

### **FILTER MEDIA PROJECT AT THE WATER PLANT UPDATE**

Skaret reported things are moving forward with the Filter Media Project at the Water Plant. He said there is a contract for engineering services with SEH on the City's Council's March 1<sup>st</sup> agenda to begin the design process. Skaret said SEH came to Jackson in January to look at the Water Plant's backwash tank.

Oxborough said after the backwash tank was cleaned, SEH came to Jackson and inspected the tank and found it to be in good shape.

Skaret said the backwash tank doesn't need to be replaced, so that's good.

Oxborough said that will mean a savings of approximately \$50,000 to \$100,000.

Skaret said overall the estimated cost of the Filter Media Project is \$520,000. As far as paying for it, Skaret said the City is planning on including it with the bond for this summer's street projects. He explained the City is planning on reconstructing Emily Street and Riverside Drive from State Street to the north driveway of Ashley Park. Regarding the \$520,000, Skaret said the City doesn't have that kind of money sitting around in the Water Fund to pay cash for the project. He also noted it's not enough money to make it worthwhile to bond for in itself as a separate project. Skaret said typically you want a project that's at least a million dollars or so in a bond to make it worthwhile with the cost of doing that. Skaret said the City is going to wrap the \$525,000 in with the bond the City is doing this summer for the street projects.

Overall, Skaret explained what that does on a 20-year bond is add about \$30,000 a year in debt service payments. He said if you spread that out, it will cost the average water customer about an extra \$1.40 per month.

In addition to better quality water, Skaret said the Filter Media Project will provide a public health benefit by also reducing manganese and ammonia. He said the Project will also make the Water Plant more efficient so it could save on some operational costs too.

Oxborough concurred with Skaret. He noted the State of Minnesota is definitely looking at issues regarding manganese so the Filter Media Project will allow the City to be ahead of the game. Oxborough said the project needs to get done and it's time to have better quality water.

For the project timeline, Skaret said SEH is planning to do the design work starting this spring and seek bids later this summer. He said it would be a fall construction project.

Oxborough said the project will be done during low flow times which would be in the fall or spring.

Jenna Schwartz asked if the project work would be all done inside the Water Plant.

Oxborough said most of the project will be inside except for the backwash tank which can be done at any time. He said the backwash tank will be removed and repainted and filled back up.

Marthaler asked how big the backwash tank is.

Oxborough said it's a big rectangular tank. He said it's bigger than the City Council Chambers.

Skaret said this agenda item was informational for the Utilities Commission.

### **ADJOURNMENT**

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

**JENNA SCHWARTZ/MARTHALER moved and it was unanimously carried to adjourn the Utilities Commission meeting at 4:34 p.m.**

  
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David A. Maschoff, Recording Secretary

