

UTILITIES COMMISSION MEETING
March 27, 2023

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, March 27, 2023 with the following persons present: Utilities Commission Chairman Kevin Siepker, Vice-Chairman Mike Schwartz and Commission members Joe Marthaler, Jenna Schwartz, Sandy Phillips and Dennis Hunwardsen. Also attending were City Administrator Matt Skaret, Street Superintendent Phil Markman, Water/Wastewater Superintendent Tony Oxborough, MRES Jackson Distribution Maintenance Foreman Tony Nitchals, City Finance Officer Deb Mitchell and Recording Secretary Dave Maschoff. (Utilities Commission member Sara Mix was 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 FEBRUARY 27, 2023 UTILITIES COMMISSION MEETING

Siepker asked if there were any additions, corrections or issues regarding the minutes of the February 27, 2023 Utilities Commission meeting. Hearing none, Siepker declared the minutes approved as read.

DEPARTMENTAL REPORTS

Street Department

Street Superintendent Phil Markman said the Street Department has been doing a lot of maintenance work on equipment. He said the Street Department has also been working in getting the trails around Jackson opened up since the snow is starting to melt.

Markman said they have also been filling in potholes on the streets. He said he walked with engineers from Bolton and Menk on March 27th on Riverside Drive and Emily Street to prepare for the work that will be taking place this year on those streets. Markman said the Street Department is waiting for the weather to improve to begin spring projects.

Siepkner asked if the hot mix plants have begun operating.

Markman said it will probably be a month or two months before the hot mix plants begin operating for the season. He said the Street Department has been making the list of streets that will be patched this year.

Siepkner thanked Markman for his report.

Water Department

Water/Wastewater Superintendent Tony Oxborough reported two of the City's Lift Stations need new roofs. He said materials will be purchased from the lumber yard and quotes obtained to replace the roofs. Oxborough said he's hoping the roofs can be replaced by July.

Oxborough said the City is up for renewal of their Wellhead Protection Plan. He explained the point of the Plan is a program by the State of Minnesota to make sure wells within the vicinity of City's wells can't become contaminated. Oxborough said it's a good way to make sure that everyone around the City is up to par.

Oxborough reported the City Council approved updating the signals from the City's water towers to the Water Plant by upgrading from phone lines to fiber. He said the Water Department is excited to update the signal system to fiber. Oxborough said parts have been ordered and it's anticipated the system will be updated sometime this summer.

Oxborough said the City is going to rebid the Media Filter Replacement and Backwash Tank Improvement Project at the Water Plant. He noted the first bids came in approximately \$400,000 higher than expected so the project is going to be rebid. Oxborough said if the bids come in high again, the project will be postponed until next year.

Oxborough said the Water Department is also in the process of updating the alarm system for the Lift Stations. He explained phone lines are used and the alarms will call Water Department personnel if there's an issue like low levels or pump failures. Oxborough said the current dialer system is old and obsolete so it's being updated with new technology.

Electric Department

MRES Jackson Distribution Maintenance Foreman Tony Nitchals said the Electric Department has been trimming trees when they've been able to.

Nitchals said the Electric Department has been working on maintenance projects. He said they have also been replacing old residential meter sockets. Nitchals said the Electric Department has been working on the downtown street lighting blub system. He said some of the street light bulb lids have disintegrated or have broken.

CITY'S SHUT-OFF POLICY

Siepkner asked Utilities Commission members if any of them had suggestions for changes they would like to see in the City's Shut-Off Policy. He said the only thing he saw that maybe would be a change would be to actually have a face-to-face conversation with somebody before they are shut-off.

Phillips asked how is that going to happen when the utility customer won't even answer their phone.

City Finance Officer Deb Mitchell said that's the problem. She noted the City Hall Office Staff will call but the customer's voice mail isn't set up or their voice mailboxes are full. Mitchell said the AMI system will call or text to notify customers that they are overdue and may be subject to being shut-off. She said the texting seems to be working the best. Mitchell said nowadays if people don't recognize the incoming number on their phone, they disregard it. But she said the text messaging has been working great because people notice it's a text from the City of Jackson.

Mitchell said the text tells the customer about the shut-off date, their account number and how much is past due. She said everyone subject to shut-off receives that text message and if the customer can't receive text messages, a phone call is made to their house.

Phillips asked if customers receive a letter.

Mitchell said everyone that's on the shut-off list receives a letter. She said the shut-off letters are pink and it explains exactly what the City will do. Mitchell said those letters are sent out right after the 15th of the month so it gives the customer two to two-and-a-half weeks to get their overdue utility bill paid. She explained if anybody happens to pay their utility bill and they owe a deposit, the City Hall staff will try to call the customer right away as soon as it's noticed that they paid their bill but didn't pay their deposit, so they receive an extra warning on that. Mitchell said the City Hall staff really tries to contact customers.

Mitchell noted the majority of those receiving shut-off notices are the same customers every month.

Discussion continued on possible scenarios that deposits may be collected through the monthly utility bills.

Mitchell pointed out customers who have been late within a six-month period have to pay a deposit. She noted that customers have the option of signing up to be a bank customer and have their utility bill automatically paid from their checking account each month. Mitchell said the option for people to be bank customers has really been beneficial. She noted approximately 700 customers currently make use of that option.

Hunwardsen asked about the return of deposits after a period of time.

Mitchell said utility deposits are refunded to the customer with interest after 12 consecutive payments that are paid on time. She said the State of Minnesota sets the interest rate which is currently at 4 percent. Mitchell said the State sets the interest rate each year.

In reviewing the information regarding the City's shut-off policy, Phillips suggested some items that probably need to be updated. She referenced the wording that stated customers need to read their own water and electric meters. Phillips noted most of the electric meters are now on the AMI System along with some water meters.

Skaret said there are some water meters that have not been upgraded yet to the new AMI system.

Phillips asked City Clerk Maschoff to review minutes to see if the Utilities Commission had made a motion some months ago about not disconnecting people when the weather was cold.

Sieper said it should be noted that the Utilities Commission reviewed the City's shut-off policy and the date that it was reviewed.

SANDY PHILLIPS/JENNA SCHWARTZ moved and it was unanimously carried noting the Utilities Commission discussed and reviewed the City's Shut-Off Policy on Monday, March 27, 2023.

OVERHEAD POWER LINES TO RESIDENCES

MRES Jackson Distribution Maintenance Foreman Tony Nitchals said the City has spent money to beautify streets by burying the electric lines. He pointed out even though the electric lines have been put underground, there's still poles with overhead lines going to houses.

Nitchals said when a project is taking place to bury the electric lines along the street, the service lines to the houses should also be buried to the houses. He said it would also give everybody the capability of having 200-amp service. Nitchals said it's up to the homeowner if they want to utilize the entire 200-amp service. He said the underground electric service could be run up to the house and then it would be available for the homeowner to hook it up.

Nitchals said having the service lines buried up to the houses would be more uniform and would clean up a lot of these poles that are left around town. He noted the City has underground transformers sitting on the ground and there's overhead poles sitting right next to it.

Oxborough asked who would take ownership of the service lines to the house once those lines are buried.

Nitchals said the City would take ownership of the service lines up to the electric meter on the house. He said then there would be no gray area when it comes to locating utilities. Nitchals said currently when the Electric Department is locating, sometimes it's found that the wire underground is not really the City's wire, but wire that belongs to the homeowner. He said the Electric Department will locate the wire but then use a special flag that says "homeowner responsibility". But, Nitchals said if the Electric Department mismarks by accident, then the homeowner comes back on them.

Nitchals said it would just simplify everything if the City would just own everything up to the meter socket that's on the house. He said the City would supply the meter socket but the meter socket would then be the homeowner's after the initial installation.

Siepkner said the biggest issue was always who's taking care of the "drop" whether it was in the air or in the ground. He said the "drop" belonged to the homeowner.

Nitchals said if the homeowner has a bad connection that occurs in the middle of the night, the Electric Department will usually fix it. He said if the City owned the electric line up to the house, there would be no gray area, the line would be the City Electric Department's responsibility.

Siepkner asked Nitchals if he wants the City to take ownership of the drop to the houses.

Nitchals said that was correct once they have the service lines buried. He said if the City owned the electric service lines up to the house, there would be no gray area and it would be known who owns what. In cases where lines are already buried from the meter that's located in the alley or out along the street, Nitchals said an underground line owned by the City would be brought up to the meter if the meter was moved and mounted on the house. Nitchals said the City would then own the service line up to the meter on the house. He said the homeowner would have to pay an electrician to move the meter off the pole and mount it onto their house.

Nitchals said the Electric Department already services lines that run up to the house. He said if the meters would be mounted on the house, the City would take care of the service lines up to the house to eliminate any gray areas of who owns what. Nitchals noted the cities of Worthington and Luverne own and maintain the service lines that run up to the meter on the house.

Hunwardsen asked if there would be an exception if the homeowner objects to having a meter mounted on the house. He explained he has 400-amp electric service coming from an electric pedestal to his service panel in his house. Hunwardsen said he doesn't really want a meter put on the side of his house. He noted he would have to pay for the extra 200-amp service since it's proposed the City will only install 200-amp service. Hunwardsen said he would want to opt out of mounting the meter on his house.

Skaret suggested the proposal could be worded that the City would maintain electric service lines up to 200-amps to the house. He said if a customer wants 400-amp or anything greater than 200-amp service, the customer has to pay the difference.

Nitchals concurred with Skaret's suggestion.

Marthaler said he wouldn't want the meter hung on his house.

Hunwardsen noted his electric pedestal is currently located in the trees and bushes.

Siepkner asked if an electric pedestal could be located at the house instead of attaching the meter to the house.

Nitchals said he supposed that could be done. He said the City would then own the service line up to the pedestal.

Siepkner said electric meters would be moved out of alleys or out of yards. He said he thinks it would have to be on a case-by-case basis and see what people want.

Phillips noted that kind of defeats the purpose of consistency.

Siepkner said the City is going to try and appease the customer the best they can.

Nitchals said he would like to see the wording that the City owns everything to the top side of the meter and he would like to see every meter on the house.

Siepkner said if a customer doesn't want a meter mounted on their house, then they will have to understand that the customer will then own that "drop" (service line) and will have to take care of it if it falls down or goes bad.

Phillips asked how will the City track which service lines belong to who.

Nitchals said that would be difficult.

Skaret noted having the City own and be responsible for the electric service lines up to the meter would also eliminate the gray area when it comes to trimming trees.

Phillips asked Hunwardsen if his question had been answered.

Hunwardsen said "I guess". He said if the meter could be put up 18 inches off the ground with all the other items next to the house, it wouldn't be so bad.

Nitchals said he would like to see a standard height for the meters. He noted a meter socket that the Electric Department had to replace on Merva Avenue. Nitchals said they had to first dig it out of the snow in order to get to it because the meter socket was not far off the ground.

MIKE SCHWARTZ/JENNA SCHWARTZ moved and it was unanimously carried for the Utilities Commission to recommend that the City assume responsibility and ownership of residential electric service lines up to the top of the electric meters for meters that are taken off poles and mounted on houses in residential areas.

SOLAR/WIND POWER METER SOCKETS – SOLAR/WIND POWER SECOND METER CHARGE

Regarding solar and wind power meter sockets, MRES Jackson Distribution Electric Department Foreman Tony Nitchals said he needs to install a production meter on a house along with a bi-directional meter. He noted there will be an extra meter cost. Nitchals asked if the City wants to pay the cost for the extra meter. He said he doesn't think the City wants to pay for that extra cost. Nitchals said the cost for the extra meter could be charged to the homeowner. He said the cost could be added to the estimate if a homeowner wants to add solar power.

Nitchals explained homeowners who want to add solar have to pay a reprogramming meter fee and install another meter. He said two meters have to be installed which would be a production meter and basically a usage meter. Nitchals said if it's under 40KW, he could do net metering for the homeowner. He pointed out there's another meter socket that has to be paid for some way or another.

Skaret asked how much that particular type of meter socket would cost.

Nitchals said he can install a 100-amp meter socket if it's a small solar unit, but if it's 40KW, then a 200-amp meter socket will have to be installed which is about \$200. He said it all depends on how big the solar unit is going to be on the house. Nitchals said a standard meter socket will need to be installed to record production. He said the State of Minnesota will require the City to record how much solar production there is in the City and keep records for that. Nitchals said a production meter will be needed in order to keep track of how much solar power is being produced. He noted the homeowner will also need to keep records of solar production.

Nitchals explained Missouri River Energy Services will purchase the excess solar power that the homeowner produces over what they are using.

Nitchals said the State of Minnesota wants to track all solar production so the Electric Department has to have a way to track what a solar panel is producing. He said it will require basically dual metering.

Nitchals asked if the City is going to charge for the extra meter socket or not. He also asked since the homeowner will have two meters, will the City have a monthly meter charge for each meter.

Hunwardsen said that's part of the homeowner's cost of installing solar.

Nitchals said he thinks the City should charge the homeowner for the meter socket and charge them for the extra meter program which is \$100. He said it's up to the City if they want to charge the homeowner the extra monthly meter service charge for having that extra meter. Nitchals said he believes the homeowner installing solar should pay for all the equipment that is needed to meter it. He noted the Electric Department still has to maintain those meters. Nitchals said the meter will be an AMI meter.

Sieper asked if the City of Jackson currently has any customers using solar.

Skaret said there's one utility customer currently looking at installing solar power. He said there have been a couple commercial customers that have inquired about solar but they haven't moved forward with any solar projects.

Nitchals said the school has looked into installing solar panels.

Nitchals outlined the fees and agreements needed to move forward with a solar project.

Nitchals said he basically wanted to know if the City wants to charge customers who install solar for a meter socket and whether the City wants to have another monthly service charge for that extra meter.

Finance Officer Deb Mitchell noted the City charges customers another monthly fee when they install a sprinkler meter for water. She said the customer is charged a monthly fee for both meters.

Siepkner asked what the monthly charge is for a customer to have an extra electric meter.

Mitchell said it's \$14 or \$15 per month.

SANDY PHILLIPS/MIKE SCHWARTZ moved and it was unanimously carried for the Utilities Commission to recommend to the City Council to have the City charge for solar/wind power meter sockets and charge a monthly service fee for the second meter.

(Sandy Phillips leaves the meeting)

WELLHEAD PROTECTION CAPPING COST SHARE PROGRAM

Water/Wastewater Superintendent Tony Oxborough said the City's Wellhead Protection Plan is up for renewal. He said the plan was put together in 2010 and is a 10-year program. He explained the idea of the Wellhead Protection Plan is to protect the City's well as far as a community water supply.

Oxborough said in renewing the Plan, he has flagged a potential well that has not been used for multiple years. He said he thinks it's appropriate to cap it. Oxborough said he thought he was helping out the customer by noting the well is not being used and the City has a contractor coming to Jackson. Oxborough noted the customer would not have to pay a mobilization fee and could probably cap the well for \$1,000. He said he should have done more informing to the customer of why it's important to cap unused wells to protect the City's water supply.

Oxborough said he spoke with City Administrator Skaret and the State. He said in speaking with the State, there are communities that have a cost-sharing program as an incentive for property owners. Oxborough said by capping their unused wells, it helps protect the City's water supply.

Oxborough explained the property owner he's been talking to is irritated with the idea that it's a government program that's being forced upon them when they haven't done anything wrong.

Oxborough said an example given for an incentive program is where the City would help pay to cap an unused well on private property on a 50/50 split. He asked if that's something the Utilities Commission would consider.

Skaret noted the incentive program wouldn't be just for one customer, but for any future customers going forward.

Oxborough said the incentive program was brought up as an example by the State as a tool that can be used moving forward to help promote capping these wells. Oxborough suggested having a program where the City would participate with a 50/50 cost share up to \$500 to cap a private well. He said if the total cost to cap a well was over \$1,000, the City's share would be up to a maximum of \$500.

JENNA SCHWARTZ/MIKE SCHWARTZ moved and it was unanimously carried to recommend to the City Council a Wellhead Protection Capping Cost Share Program where the City would cost share with a private property owner to cap an unused well on a 50/50 basis with the City's maximum share up to \$500.

ADJOURNMENT

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

JENNA SCHWARTZ/JOE MARTHALER moved and it was unanimously carried to adjourn the Utilities Commission meeting at 5:18 p.m.

Skaret noted the next Utilities Commission meeting will be held on April 24th. He thanked everyone for attending and wished them a good night.

David A. Maschoff, Recording Secretary

