

UTILITIES COMMISSION MEETING
March 29, 2021

A regular meeting of the City of Jackson Utilities Commission was held in the Council Chambers of City Hall at 4:00 p.m. on March 29, 2021 with the following persons present: Utilities Commission Chairman Kevin Siepker, Joe Marthaler, Nicole Hall, Jenna Schwartz, Matt Madden and Sandy Phillips. Also attending in-person were City Administrator Matt Skaret, Street Superintendent Phil Markman, Water/Wastewater Superintendent Tony Oxborough, MRES Jackson Distribution Maintenance Foreman Jeremy Boogerd, Electric Distribution Superintendent at Missouri River Energy Services Jeff Becthold and Recording Secretary Dave Maschoff. Attending via Zoom was Darlene Weber-Scott of the MRES Bright Energy Choices Program. (Utilities Commission member Mike Schwartz was absent.) (A quorum of the Utilities Commission was present.)

OPEN THE MEETING

Chairman Kevin Siepker called the regular monthly meeting of the Utilities Commission to order.

APPROVE THE MINUTES FROM THE FEBRUARY 22, 2021 UTILITIES COMMISSION MEETING

Siepker asked if there were any additions, corrections or issues regarding the minutes for the February 22, 2021 Utilities Commission meeting. Hearing none, Siepker said the minutes would be approved as mailed.

MRES BRIGHT ENERGY CHOICES PROGRAM

Skaret distributed information about the MRES (Missouri River Energy Services) Bright Energy Choices Program to the Utilities Commission members. He then introduced Darlene Weber-Scott of the MRES Bright Energy Choices Program who joined the meeting via Zoom. Skaret asked Weber-Scott to tell the Utilities Commission members about the program.

Weber-Scott explained the Bright Energy Choices Program began two years ago because MRES was having commercial customers in particular, along with some residential customers, that wanted a completely green or carbon-free electric offering. So, what they have done, Weber-Scott said MRES created the Bright Energy Choices Program.

Weber-Scott explained with the Bright Energy Choices Program, the City of Jackson is already receiving 60 percent renewable energy and 89 percent carbon-free energy. She said the Bright Energy Choices Program allows the City to supplement its electric power by buying Renewable Energy Credits at one-tenth of a cent per kilowatt hour. So, she said for any businesses that would prefer to have renewable energy, they're already getting 60 percent. Weber-Scott said then MRES would take that other 40 percent of their usage and take those kilowatt hours and multiply it times one-tenth of a cent per kilowatt hour and add that to their charges for the month to offset the purchase of Renewable Energy Credits (RECs). Weber-Scott went on to explain the formula used if the company wanted to be carbon-free.

Skaret explained how the Bright Energy Choices Program came up is because there is an industry in Jackson that has inquired about setting up a solar energy system. He said the Bright Energy Choices Program is another alternative for that company rather than making the big investment into solar, dealing with interconnection issues, and the City having to buy-back the excess power generated by the solar panels. Skaret said the Bright Energy Choices Program can have the same effect for those that want to use solar energy without all of the added costs and complications.

Weber-Scott said MRES has made the calculations for the two large electric customers who have inquired about solar energy. She said for the larger power customer, the Bright Energy Choices Program would add about \$5,000 annually to their power bill which is a lot less expensive than installing a solar project. She noted the life of a solar project is 25 to 30 years. Weber-Scott said at \$5,000 a year over 30 years the cost would be \$150,000 which would be far less than what it would cost of have a solar project at the scale they're looking for.

Weber-Scott said for the other company in Jackson looking at going to 100 percent renewable energy, their cost to participate in the Bright Energy Choices Program would be \$700 a year.

Skaret noted there are communities where individual customers have enrolled into the Bright Energy Choices Program and some communities have offered it to the entire community.

Skaret said the Bright Energy Choices Program was brought before the Utilities Commission to find out what the Commission's level of interest in the Program was. He said the City is looking for some direction on whether the Utilities Commission would recommend the City adopt the Program and allow industries or customers to participate on a case-by-case basis. Skaret noted the City would need to look at some things regarding the billing software that the City has.

Jenna Schwartz asked how the City of Jackson's electric energy is 89 percent carbon free but only 60 percent is renewable.

Weber-Scott explained the difference between carbon-free and the renewable is that the renewable energy is hydro, wind, solar, nuclear and the market purchases are included in the carbon-free. She said nuclear energy does not produce carbon emissions but it is not a renewable source. Weber-Scott said as far as the market purchases, by the time that they enter the market, the carbon has been paid for, shall we say, by the creator of the carbon. She explained the carbon tax has been applied to them so when MRES purchases it, they consider it clean. But, Weber-Scott said they don't break down that market purchase to the level that they know how much of that is renewable because the markets vary from day to day. She said they could be five percent one day and 95 percent the next day so MRES doesn't classify the market purchases as renewable although they certainly could be.

Siepkner asked if the Bright Energy Choices Program would be for both businesses and residential electric customers.

Weber-Scott said the Program could be offered to residential customers also as long as the City's billing software can manage it.

Skaret said if the Utilities Commission members are comfortable with the program, the Commission could make a recommendation to the City Council to offer the Bright Energy Choices Program on a customer request basis.

Siepkner said he would entertain a motion regarding the Bright Energy Choices Program.

JENNA SCHWARTZ/PHILLIPS moved and it was unanimously carried to recommend to the City Council to move forward in having the City opt into the MRES Bright Energy Choices Program.

RESOLUTION ADOPTING DISTRIBUTIVE ENERGY WORKBOOK

Skaret said the Bright Energy Choices Program and the Distributive Energy Workbook kind of work together hand-in-hand. He said the resolution adopting the Distributive Energy Workbook is relatively simple. Skaret distributed copies of the resolution to the Utilities Commission members. He said the resolution adopts a policy which is about 400 pages in length. Skaret said Jeff Bechhold, Electric Distribution Superintendent at Missouri River Energy Services, was attending the meeting to explain the resolution and Distributive Energy Workbook.

Bechhold explained the City of Jackson has already adopted the Distributive Energy Workbook, but it did not include the information that Missouri River Energy had to have included. He said with anything over a 100 KW setup, Missouri River would be obligated to purchase that power that's not used on that site and take care of it instead of the City having to buy back power. Bechhold went on to explain the details of the Distributive Energy Workbook.

Bechhold noted the City had adopted a Distributive Energy Workbook on a policy developed by MMUA (Minnesota Municipal Utilities Association). He pointed out that policy did not include anything regarding Missouri River Energy Services. He said the issue of the Distributive Energy Workbook came up when one of the industries in Jackson inquired about renewable energy. Bechhold went on to answer questions from Utilities Commission members regarding details of the Distributive Energy Workbook.

MADDEN/MARTHALER moved and it was unanimously carried to recommend to the City Council to approve a resolution adopting the Missouri River Energy Services Distributive Generation Workbook as the Small Power Production and Co-Generation Policy.

DEPARTMENTAL REPORTS

Street Department

Street Superintendent Phil Markman said the Street Department has been wrapping up winter activities. He said they've been preparing for this year's street projects and have been filling in as many potholes as possible with cold mix.

Markman said a representative from a contractor looked at the downtown streets to determine a possible bid on fixing some of the cracks. He said the Street Department has also been getting ready for the parks season and working on maintenance projects.

Electric Department

MRES Jackson Distribution Maintenance Foreman Jeremy Boogerd reported 1,160 new AMI electric meters have been installed so far. He said there are 100 meters left on a pallet that should be installed during the next week. Boogerd said more meters will be arriving in the next few weeks. He said he's hoping to have all the rest of the meters arrive at the end of next month to finish the installation.

Boogerd said installing the new electric meters has taken up most of the Electric Department's time. He said they've also taken care of some maintenance issues along with preparing for the construction season. Boogerd noted there will be a pre-construction meeting coming up in a couple of weeks for the downtown underground electric conversion project.

Boogerd reported interviews were conducted to fill an open position in the Electric Department. He said an offer will be made to one of the applicants this week.

Water Department

Water/Wastewater Superintendent Tony Oxborough said the Water Department personnel have been installing the new AMI water meters. He noted 320 water meters have been installed so far. Oxborough said of that number, 162 meters are commercial. He said they have 82 meters to install before all the commercial meter installations are completed.

Oxborough said he conducted a water loss study. He said for the year 2020, the City was missing 30 million gallons. Oxborough said there was 130 million gallons of water produced. He said so what the City got paid for minus fires, street sweeping and other items, the City is missing 30 million gallons. Oxborough said he believes part of the loss is due to old water meters not accurately recording the gallons used. He said hopefully once all the 250 commercial meters are replaced, the City will recapture some of the water it has been missing.

Skaret said percentage wise, the water loss represents between 25 and 30 percent of the City's water that cannot be accounted for.

Oxborough said among the improvements at the Water Plant, the new electronic water meter will also be more accurate regarding the water that's being used.

As a reference, Skaret noted the State frowns upon any water loss that's more than 11 percent.

As far as moving water around at the lagoon ponds, Oxborough said the ponds are at half capacity which is really good. He said usually at this time of the year they would be close to discharging water from the ponds. Oxborough said from last year being dry up to this point this year, the lagoons are sitting rather well.

Oxborough said he is studying the amount of water the City sells verses the amount of water that goes out to the sewer ponds. For example, he noted the water that's used to take a shower, goes down the drain and should be the same amount of water that's charged for the sewer. Oxborough said it should be pretty much a one-to-one ratio. He pointed out the Water Plant actually produced more water in January and February than what was pumped out to the sewer ponds.

Oxborough said that hasn't occurred since 2014. He said that shows how dry and unsaturated the ground is. Oxborough said the repair of some I&I problems over the past couple of years may have also contributed to less water being pumped out to the sewer ponds.

Oxborough reported a water leak in the line from the City's water main to the Courthouse. He noted the City's current ordinance outlines the property owner is responsible from the water main to their water meter. Oxborough said that's the purpose of the ordinance that was recently approved clearly defining that. He said the County is going to repair their water line from the City main to the courthouse.

WATER, ELECTRIC AND SEWER SERVICE LINE RESPONSIBILITY OVERVIEW

Water/Wastewater Superintendent Tony Oxborough said he wanted to review with the Utilities Commission what is the property owner's responsibility when it comes to the service lines running from the water and sewer mains to the property owner's house.

Oxborough used an illustration on the dry erase board in the City Council room to show the water and sewer infrastructure that's owned by the City and the service lines that are the responsibility of the property owner. He said in some communities, the municipality owns the mains and the lines that run to the edge of the street right-of-way. Oxborough said in Jackson, the homeowner is 100 percent responsible for the service line from the main water or sewer line to the house. He said if the service lines need to be replaced, it's the responsibility of the homeowner. Oxborough said the only thing owned by the City is the water or sewer main.

Oxborough noted with electric service, the infrastructure from the meter socket to the house belongs to the homeowner.

Oxborough said if a property owner is going to do a construction project, City personnel will come and locate where a property owner's private service lines are located to avoid the potential of the lines getting damaged. He said if a water leak happens in the street, the City will pay for the removal and replacement of the curb and street.

Regarding electric service, Boogerd said if a tree falls on a line from the utility pole to the house, although the line is owned by the electric customer, the Electric Department will help maintain the line by putting it back up in the middle of the night and there is no charge to do that. He noted the electric customer owns the overhead and underground electric infrastructure to their house. Boogerd said the Electric Department will help maintain the overhead wire. He said if the underground service wire goes bad in the middle of the night, the Electric Department can help the property owner in a pinch, but it's the property owner's cost to hire an electrician to fix the underground line.

Boogerd said if an electric customer wanted to install a larger electric service in their house and needed a larger size overhead electric wire, the customer would have to pay for the wire, but the Electric Department would help them hang it up and make connection to the City's utility pole. But, Boogerd noted the customer would have to pay for the larger wire.

Oxborough noted with the North Highway and South Street projects, the individual water and sewer service lines will be replaced from the main to the edge of the road right-of-way. He explained the City is basically replacing private services because the City doesn't want anyone digging up the brand-new road. Oxborough said if a property owner has a leak on their water line, or their sewer is not working, the property owner either has to call a plumber or call a contractor to dig up the line to fix it.

Oxborough noted last year there were 10 leaks on private service lines.

Oxborough said the language in the City's ordinance regarding private sewer and water lines is important so it provides for consistency.

Oxborough said he had no problem that the City decided to pay for repairing Dave Schrader's water service line break due to the water shut-off located in the alley being damaged. He said language in a proposed amendment to the City ordinance on why the City fixed it is very important. Oxborough said the City needs to be consistent. Oxborough said if the City wants to change the ordinance so the City owns the service lines up to the street right-of-way or curb stop, he has no problem with that. However, Oxborough said then the water rates will go up.

Discussion ensued about the five water shut-offs that are located in alleys in the public right-of-way and whether they should or could be moved, or how to better protect them to avoid any service line breaks. There was also discussion about improving the condition of the alleys in the downtown area.

Siepkner asked if there was any recommendation the Utilities Commission needed to make.

Skaret said there wasn't any action for the Utilities Commission to take. He said Oxborough just wanted to inform the Utilities Commission about the property owner's responsibilities pertaining to water, sewer and electric service lines in Jackson.

Hall suggested having the diagram that Oxborough had drawn on the erase board should be included in the City's newsletter. She said there's a lot of people that don't understand what the City Utilities personnel do every day and what the property owner is responsible for when it comes to their water and sewer service lines from the City main to their house. Hall said people of all ages don't understand that.

Skaret said the City, from time to time, has tried to educate the public regarding water, sewer and electric service line responsibility. He said there has been information provided on the City's Facebook page.

Hall noted having a diagram explaining a property owner's responsibility regarding their service lines is "genius". She said a diagram similar to the one drawn by Oxborough would be beneficial in explaining to people what they're responsible for pertaining to their sewer, water and electric service lines.

Oxborough said the easiest way to explain it is that the service line running to a house only benefits that house. He noted the policy is that the City are the only ones to dig in the street when repairing a service line. Oxborough said if the City digs in the street, then they know it will be properly packed and repaired once the service line repairs are completed. He said a private person digging in the street may be unaware of what needs to be done to get the street repaired as it's supposed to be. Oxborough said the City will assist a property owner in getting the street back into shape after a service line is repaired. He said the City is available to help, but do not want to foot the bill for the service line repair.

Skaret noted there are a lot of towns that don't pay for fixing the street. He said in those towns, the property owner has to pay for repairing the street also, which can be thousands of dollars extra. Skaret said the City of Jackson is helping the property owner by taking care of repairing the street after a service line is repaired.

Siepkner thanked Oxborough for his presentation.

ELECTRIC METER SOCKETS

Boogerd explained the new AMI electric meters that are being installed to replace the current electric meters are super-smart. He said the new AMI meters have two temperature settings in them that measure the outside ambient temperature and how hot the meter itself is.

Boogerd said if a property is using a lot of electricity and the temperature goes up too fast and there's a bad connection in the meter socket, the AMI meter has a TAU (Temperature Automatic Open Function) and will sense that. He explained if there's a poor connection in the electric meter socket, which the property owner owns, the AMI meter will heat up too fast and open up and shut off the power.

Boogerd said if it's determined that the meter socket is bad, there are three options. He said the Electric Department can replace the meter socket, the property owner can have an electrician replace the meter socket or an old electric meter can be put back in to get by through a weekend until repairs can be made. Boogerd said the Electric Department also runs into the same problem in some of the meter pedestals, but in those cases the City owns the pedestals.

Boogerd said according to State regulations, the Electric Department is not allowed to hook up the wires on the bottom of the meter socket. He said it's a \$30 meter socket that the City has, but an electrician has to be hired to replace the socket.

Boogerd said he was just looking for clarification on whether to tell a customer they have to replace the meter socket or is the City going to pay the electrician to replace the meter socket because the City installed their new AMI meter in the socket. He said it's really the property owner's electric socket.

Oxborough asked Boogerd if he's spoken with any property owners about needing to replace their meter socket.

Boogerd said there's been only two situations so far where the meter socket needed to be replaced. He said both situations were on a pole away from the house so there was no concern about starting a house on fire.

Boogerd said he's asking the Utilities Commission if they want the cost to repair the meter socket to be paid for by the homeowner or want the City to hire an electrician and pay the bill. Boogerd said he fears as we head into air-conditioning season, we'll see more situations of bad electric meter sockets occurring.

Siepkner asked how many electric sockets does the Electric Department keep on hand.

Boogerd said the Electric Department has about 10 meter sockets of the 100-amp size and quite a few of the 200-amp size.

Madden suggested having the property owner be responsible for hiring an electrician and getting the meter socket repaired. He said a property owner could be given 30 to 60 days to hire an electrician to get the meter socket replaced.

Hall asked Boogerd if a property owner who needs to replace the meter socket will be charged \$30 by the City since the City has them on hand and if the property owner would also need to hire an electrician to install it. She asked if that was the option being looked at.

Boogerd said the City wouldn't charge the property owner for the meter socket. He noted prior to the issue with the new AMI meters and the disconnect problems with some meter sockets, the City has provided a meter socket for updates and new construction. Boogerd explained the City provided the meter socket because the Electric Department wanted the same standard meter socket for everybody. He said the Electric Department would deliver the meter socket if a home was upgrading electric service or there was new construction.

Hall asked if the property owner would essentially be paying for the electrician.

Boogerd said the property owner would be paying for the labor for the electrician.

Boogerd said he was looking for a ruling from the Utilities Commission on whether the City pays for the electrician to replace a meter socket or if the City is going to tell the homeowner that it's their meter socket and they have to replace it. He said according to the rules, the homeowner owns the meter socket. Boogerd said the electric meter belongs to the City, but everything else belongs to the customer. Boogerd said the City will give the homeowner a free meter socket so there is consistency.

Phillips said it's important in how the City informs customers about replacing meter sockets. She said a customer could be informed that there's a problem with their meter socket and the City of Jackson wants the customer to be safe, so the City is going to provide the customer with a new socket. Phillips said the customer's only cost will be to hire an electrician to hook it up but the City will provide a new meter socket because the old socket is defective. She said the City wants people to be safe.

Boogerd asked how many days would a homeowner be given to have the meter socket replaced?

Phillips said 30 days.

Hall agreed with Phillips to give the customer 30 days to give them options and time.

Phillips suggested delivering the customer a meter socket and tell them they have 30 days to get it installed.

Becthold suggested having the homeowner contact an electrician and have the electrician contact the City's Electric Department who will give them a meter socket to put in place.

Utilities Commission members concurred with Becthold's suggestion.

Hall said the Electric Department could provide a property owner with a list of electricians and give the property owner the responsibility of hiring who they want.

Boogerd said that's what the Electric Department did during the underground electric conversion project when customers electric service was buried. He said property owners were given a list of electricians to call if there was work that needed to be done.

Boogerd said the City could provide customers with the meter socket and a list of electricians they can call to install the meter socket.

HALL/MADDEN moved and it was unanimously carried to recommend to the City Council that City of Jackson electric customers who need to replace their electric meter socket have 30 days to do so with the City providing the electric meter socket to an electrician that's hired by the property owner and the electrician will bill the property owner for labor and materials.

TEMPORARY METER BILLING POLICY

Boogerd explained there is an electric customer on Sherry Lane who has been on the AMI system for a while and is included in the AMI billing system. He said the customer had multiple problems with the new meter. Boogerd said the customer's electric pedestal is going to be changed. Boogerd said an old meter was put in the socket until the pedestal can be replaced.

Boogerd noted the customer has been in the AMI billing system for a while. He explained to go back to the old billing system is kind of a paperwork nightmare, so a temporary electric meter is installed to get the customer by for a few days.

Boogerd said the Electric Department is looking for a threshold of where the City should go back and bill the customer for the miscellaneous kilowatt hours. He said for example, if the customer calls the Electric Department on a Thursday night because of an AMI Meter temperature alarm, an old meter is installed which is then changed two days later back to an AMI meter. In that case, Boogerd said the customer was on an old electric meter for 36 hours and used 45 kilowatt hours. He said it's a miscellaneous bill. Boogerd asked does the City go through the paperwork to determine the usage and bill?

Boogerd said he's asking, for example, for a \$10 or 100 kilowatt hour threshold. He said if the customer doesn't go over 100 kilowatt hours, the City isn't going to worry about.

Siepkner asked what 100-kilowatt hours cost?

Skaret said 100 kilowatt hours would amount to \$14.

Boogerd said the Electric Department was looking for a threshold.

MADDEN/HALL moved and it was unanimously carried to recommend to the City Council if a temporary electric "dumb" meter has to installed and uses 100 kilowatt hours or less, the Electric Department does not have to edit the register on the meter or miscellaneous bill.

AMENDMENT TO ORDINANCE REGARDING RESPONSIBILITY OF SERVICE LINES

Skaret reported the City Attorney is still reviewing the ordinance regarding the responsibility of service lines in Jackson and what the City wants to do with the ordinance. He said the City Attorney is still studying the best wording and if the City should enact such an ordinance.

Skaret said no action was needed at this time from the Utilities Commission.

ADJOURNMENT

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

HALL/MADDEN moved and it was unanimously carried to adjourn the Utilities Commission meeting at 5:33 p.m.

David A. Maschoff, Recording Secretary

