

**UTILITIES COMMISSION MEETING
October 25, 2021**

A regular meeting of the City of Jackson Utilities Commission was held in the Council Chambers of City Hall at 4 p.m. on October 25, 2021 with the following persons present: Utilities Commission Chairman Kevin Siepker, Vice-Chairman Mike Schwartz, Joe Marthaler, Sandy Phillips and Michael More. Also attending were City Administrator Matt Skaret, Street Superintendent Phil Markman, Water/Wastewater Superintendent Tony Oxborough, City Finance Officer Deb Mitchell and Recording Secretary Dave Maschoff. (Utilities Commission members Jenna Schwartz and Matt Madden 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 AUGUST 30, 2021 UTILITIES COMMISSION MEETING

Siepker asked if there were any additions, corrections or issues regarding the minutes for the August 30, 2021 Utilities Commission meeting. Hearing none, Siepker declared the minutes approved as mailed.

DEPARTMENTAL REPORTS

Water Department

Water/Wastewater Superintendent Tony Oxborough reported upgrades are currently taking place at one of the lift stations in Jackson. He noted the City Council approved funding for the upgrades earlier this year. Oxborough said the contractors will arrive on October 26th to begin work on the lift station.

Oxborough reported everything in the City's parks has been winterized regarding water.

Oxborough said Duininck's has completed the installation of water main for the South Street project. He said flushing of the new water lines will be taking place once work is wrapped up on the lift station.

Oxborough noted several hundred more AMI water meters have arrived. He said the Water Department is waiting for the antennas for the new meters. Oxborough said the Water Department plans to install meters during the winter months and are currently focused on wrapping up outdoor projects before the weather turns colder and the snow starts to fly.

Skaret asked if it's known when the antennas for the water meters will arrive.

Oxborough said it's not known. He said currently there are five antennas available at the Water Department. Oxborough pointed out that every water meter on South Street has been replaced with a new AMI meter in conjunction with the South Street project.

Oxborough also mentioned the Water Department repaired a couple water main breaks over the past several weeks on Riverside Drive. He said the water main breaks were approximately 50 feet apart.

Street Department

Street Superintendent Phil Markman said the Street Department is trying to patch streets as much as they can between rain showers. He noted with the cooler weather, the Street Department is only receiving 10 tons of asphalt from the hot mix plant. Markman said to date, the Street Department has put down 453 tons of asphalt which equals 49 truckloads of asphalt that came from the hot mix plant in Worthington. He said the hot mix plant may operate for a couple more weeks.

Markman noted Duininck's is doing the paving on South Street and also operate the hot mix plant in Worthington. He said the hot mix plant won't shut down for the season until Duininck's has all their paving projects completed. Markman said he's hoping the paving on South Street will be completed by the end of this week (October 29th) but with rain in the forecast, the paving may continue into next week also.

Markman said the Street Department has been trying to keep up with sweeping the leaves off the streets.

Markman said the Street Department is about three-quarters finished with the monthly flushing of fire hydrants. He said the splashpad was scheduled to be shut down for the season today (October 25th).

Markman said the City parks and other City property will be mowed one more time before the mowers are put away for the year.

Markman noted Southwest Minnesota Broadband is installing concrete around their equipment shed immediately to the west of the library. He said Duininck's still needs to put another lift of asphalt on the library's parking lot and alley behind the library and Senior Dining. Markman said the parking lot in front of City Hall and at the Water Plant also still need to be paved.

Markman said the company installing sod has been working in Jackson as much as they can to complete the sodding work on South Street.

Markman reported there was a force main break on Monday, October 18th in the ditch in front of USF Holland on Industrial Parkway. He said Svoboda Excavating came to dig up the line and the repairs were completed by 5:30 p.m.

Electric Department

Skaret reported MRES Jackson Distribution Maintenance Foreman Jeremy Boogerd was not present at the Utilities Commission meeting because he is on vacation.

Skaret said for those that did not know, Boogerd is going to be leaving MRES (Missouri River Energy Services) and the City of Jackson in December. He said Boogerd will be joining Federated Rural Electric. Skaret said Boogerd's last day with the City will be around December 17th.

Skaret said Missouri River Energy Services is conducting interviews with candidates to fill Boogerd's position. He said two candidates were interviewed on Friday, October 22nd. Skaret said to his knowledge, those are the two candidates that MRES is weighing right now.

Siepkner asked if they were in-house candidates.

Skaret said one candidate was in-house and the other was not.

Marthaler asked if anyone from the City of Jackson sits in on the MRES interviews.

Skaret said he sits in on the candidate interviews conducted by MRES.

Skaret reported the Downtown Underground Electric Project is completed. He said the Electric Department is currently cutting a few remaining downtown businesses over from the old to the new electric line.

Skaret said the Electric Department also replacing burnt-out bulbs on street lights.

Siepkner asked when MRES anticipates Boogerd's replacement will be hired and start their duties.

Skaret said MRES is hoping to have a new person hired to fill Boogerd's position by the end of November so there's a few weeks of overlap before Boogerd leaves. He said whether that happens or not remains to be seen.

REPORT ON FILTER MEDIA AT THE WATER PLANT

Water/Wastewater Superintendent Tony Oxborough outlined the reasons for the Manganese Removal Study.

After the work was completed in the pump room at the Water Plant and the underground water storage was upgraded, Oxborough said he asked SEH what condition the Water Plant's "media" was in. He explained the "media" is the rocks, pebbles and sand that the City pulls the water through. Oxborough said the media grabs onto the iron manganese in the water at a certain rate and then the water comes out with chlorine and fluoride. He said it's a very simple operation and is a common practice in the State of Minnesota. Oxborough said a lot of other towns do what the City of Jackson does using media at their water plants.

Oxborough said SEH took core samples by digging through the Water Plants current media. He said the core samples were sent to a lab for analysis. Oxborough said the lab reported the media at the Water Plant has outlived its usefulness. He noted the last time the media was installed was during a project in 2002-2003.

Oxborough said a study of Jackson's water was done using a mobile water treatment plant to understand what's a better alternative to improve the quality of the water.

Oxborough noted the State of Minnesota has raised concerns about manganese. He said manganese is now being tied to the idea that the consumption of too much manganese at high levels can actually lead to memory loss in infants and children. Oxborough said there's currently no standard or maximum set in place by the State of Minnesota regarding manganese. He said the State is working on developing a standard.

Oxborough said the efforts to reduce the amount of manganese in Jackson's water would also result in some minor changes to the Water Plant's operation and the chemicals that are used. He pointed out the Water Plant's iron filter would remain the same. Oxborough said the media in the iron filter would remain the same other than what's known as "green sand" would be added. He explained the green sand causes a chemical reaction that actually removes manganese at a higher level. Oxborough said since the green sand does such a good job of removing manganese, it would require more backwashing. He explained backwashing is running water backwards through the filter and all that dirty water goes into a separate tank for the sewer system. Oxborough said right now every 2 million gallons of water that the Water Plant makes is backwashed. He went on to further explain the technical aspects of processing water at the Water Plant after it's pumped out of the ground. Oxborough said permanganate would also be added in the water treatment process. He explained permanganate is a powerful oxidant used in the treatment process of water in order to oxidize manganese and is typically used in conjunction with greensand filter media.

In addition to the health benefits, Skaret asked if this water treatment process would also help eliminate the rings that appear on toilet bowls, plumbing fixtures, sinks and so forth.

Oxborough said absolutely. He noted the water will also taste better. Oxborough said it would be a noticeable difference. He said the City will have a way better water source.

Oxborough outlined the estimated probable costs for the project. He said the Filter Media replacement and Filter Rehab is estimated at \$155,000. Oxborough said that needs to be done regardless because the current media is wore out and needs to be replaced.

Oxborough said the Automation of Filter Cycle is estimated at \$205,000, the Automation of Filter Cycle with the Manganese Analyzer is estimated at \$250,000, the Backwash Reclamation at \$115,000 and the Backwash Reclamation with Tank Replacement is estimated at \$220,000. He noted the current Backwash Tank is still in good condition.

Oxborough said spending just over a half-million dollars is what the City of Jackson should do, in his opinion, for better water quality moving forward.

Skaret asked Oxborough what the next step would be in the process as he sees it.

Oxborough noted he would like to see better water quality in Jackson. He said the current filter media has to be replaced. Oxborough said the estimated cost to replace the media is \$155,000 but then you still have the exact same quality of water the City currently has. He said the issue could then be revisited 20 years down the road.

Oxborough said the next step would be to accept the Manganese Removal report from SEH and then send the report to the City Council for approval. If approved, Oxborough said work could begin as a 2022 project if funding allows. He noted the funding would come out of the City's Water Fund. Oxborough said money may also be available from the State of Minnesota because the State is pushing in establishing manganese limits. He noted the City of Jackson is at the bottom of the list of top ten communities in the State that have a manganese problem. Oxborough said if you look at a map, southern Minnesota is nothing but manganese. He said every community in the area will deal with manganese.

Oxborough said the City can be proactive about this project and get a good product that the City wants anyway, or the City might have mandated policies from the State of Minnesota in the future. He said it's not known how long it may be before policies are mandated by the State.

Phillips asked if the Manganese Removal project would do anything to remove the hardness from the water.

Oxborough said he didn't believe so. He said the hardness would be the same.

Skaret said to eliminate the hardness of the water would require line softening or the installation of a reverse osmosis system.

Oxborough said in that case the iron filter wouldn't be used anymore and we'd be talking about an entire new water treatment plant.

Oxborough said the Manganese Removal Project would result in removing the ammonia in the water which would eliminate the shiny layer on the water when a person makes coffee. He said the ammonia would disappear through what's called "break-point chlorination".

Phillips asked if the Manganese Removal Project is something that could be bonded for.

Skaret said the City would try to include it with another bond. He noted the Street Committee will be meeting on October 27th to talk about potential street projects and the Manganese Removal Project could possibly be added to bonding with a street project. Skaret said another funding possibility might be through an interfund loan with the Electric Fund which would have to be paid back over 20 years.

Siepkner asked for a motion to make a recommendation to the City Council to move forward with the Manganese Removal Project.

Marthaler made a motion to recommend to the City Council to move forward with the project.

Before there was a second on the motion, Phillips asked if the City Council will be looking for more information such as what are the bonding possibilities and what the costs are going to be before they say aye or nay.

Skaret said the City Council will want to look into that more before approving or disapproving moving forward with the project.

Phillips suggested gathering the cost and other information before making a recommendation so the City Council has a better idea of what's being proposed.

Skaret said additional detailed financial information and what potential impact the project may have on water rates could be compiled and presented at the next Utilities Commission meeting.

Phillips said she thinks that information would be important for the City Council to know. She said she would rather present that information to the Council all at once. Phillips said she agrees that the Utilities Commission needs to continue the process. She said it should be determined how the Manganese Removal Project would be paid for and what impact it would have on utility costs before making a recommendation to the City Council to move forward.

Oxborough concurred with Phillips. He asked if any approval was needed to move forward with engineering details.

Skaret said he wouldn't have the engineers put together actual plans and designs at this point. He said if anything, the engineers could help the City look for funding sources.

Oxborough said he would gather additional information for the November 29th Utilities Commission meeting.

Siepkner said the Manganese Removal Project will be tabled for now.

Skaret noted it's tabled but at least the initial discussion about the project was started at today's (October 25th) Utilities Commission meeting.

Siepkner said the project will be tabled and discussed at next month's Utilities Commission meeting.

Other:

City Administrator Matt Skaret

Skaret said the Street Committee has been meeting to discuss street projects for 2022.

Skaret said number one is redoing the downtown alleys with concrete. He explained the project to cement the alleys will be paid for out of the City's Electric Fund because the downtown alleys took quite a beating, in large part, due to the Downtown Underground Electric Project. Skaret said there is money in the Electric Fund to pay for that project. He said also included in the project is the replacement of some downtown water main in the alleys. Skaret said it will be determined whether to relocate the water main or replace the main in its current location. He said the downtown alley project has been approved.

Skaret said Jackson County is going to be reconstructing River Street on the east side of the Des Moines River from Ashley Street down to South Highway in 2023. He said the City has underground plumbing on that portion of River Street including water, sanitary sewer force main and a little bit of regular sanitary sewer. Skaret said the County wants the City to have all of the underground work done before they put down the new blacktop, curb and gutter. He said the City is looking at replacing the water line, sanitary sewer force main and sanitary sewer on that portion of River Street in 2022.

Skaret said the City received some Covid Relief money. He said federal officials said the City can use the Covid Relief fund for water and sewer infrastructure. Skaret said the estimated cost on the River Street project for the underground plumbing is about \$350,000. He said that's about the amount the City will be receiving in Covid funding. Skaret said about half of the Covid funding has arrived and the other half will be coming. He said the City Council thought that would be a good use of the Covid funding to invest in the water and sewer infrastructure.

For future street projects, Skaret said the Street Committee had identified Emily Street and Riverside Drive. He said the initial plan for Riverside Drive was to reconstruct all of it from State Street to Highway 71. Skaret said cost estimates were reviewed with the City's Financial Advisor Shannon Sweeney. After that review, Skaret said efforts are underway to try to make the costs smaller. He said the latest proposal is to reconstruct only part of Riverside Drive from State Street to basically the north driveway in Ashley Park. Skaret explained the reason that stretch of Riverside Drive is so important is because of another upcoming water project. He said the City needs some redundancy on feeding the east side of town with water from the Water Plant. Skaret said right now there's only one trunk water main that goes under the river to feed the east side of town. He said the City needs redundancy in case something would happen or go wrong so there's a backup. Skaret said what's been discussed for a number of years has been to install a second water main under the river which would connect to Riverside Drive. He explained in order for the City to do that, the water line on Riverside Drive has to be replaced from Ashley Park to State Street. Coincidentally, Skaret said that's also a water line where the Water Department has had to make quite a few repairs. He noted there's been two water main repairs on that line in the past month.

Skaret said that's what the City is looking at for immediate projects. He said some of the challenges that the City has, as a community, going forward with street projects is with bonding. According to State statutes, Skaret explained there's only a couple different ways the City can bond. He said one of them is through Chapter 429 of the Minnesota Code which gives the City basically unlimited bonding authority. But Skaret noted when bonding is done through Chapter 429, the City has to do a minimum of 20 percent of the project as special assessments. He said the City of Jackson does not do special assessments on street projects so the City can't go under Chapter 429 that has unlimited bonding authority.

Skaret said there's another chapter for street reconstruction bonds which the City has been following but that has a very limited authority. He explained if the City went forward with the reconstruction of Emily Street and Riverside Drive, the City would almost use up all of its bonding capacity under that State statute.

Skaret said if the City can cut down on the Riverside Drive project a little bit, it would save up some bonding capacity and also ease up some of the burden on the tax levy. He said the City would then be in route to pay down enough debt where the City could do another major project in 2025 and 2026 as there would be some debt going off the books.

Skaret said where it gets more difficult is long range in that 7 to 10 years into the future. He explained getting past 2025 and 2026 is where it gets difficult. Skaret said if the City isn't going to do special assessments, the City has kind of tied their hands and is limited on what can be done for street repairs. He said the City has some upcoming long-term challenges as far as funding street repairs without special assessments.

Siepkner asked who the special assessments are assessed to.

Skaret said special assessments are assessed to the adjacent property owners.

Siepkner asked if the special assessments are part of the project.

Skaret said the special assessments are part of the project but do not pay for the entire cost of the project. He said special assessments do get hefty. Skaret said it's very common in a residential area, if a City is assessing 20 percent of the street reconstruction costs, to have assessments in that \$10,000 to \$15,000 range per property.

ADJOURNMENT

With no further business, Chairman Siepker adjourned the Utilities Commission meeting at 4:45 p.m.

David A. Maschoff, Recording Secretary

