

**UTILITIES COMMISSION MEETING**  
**September 26, 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 September 26, 2022 with the following persons present: Utilities Commission Chairman Kevin Siepker and Commission members Michael More, Jenna Schwartz and Joe Marthaler. 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 Vice Chairman Mike Schwartz along with Commission members Sandy Phillips and Dennis Hunwardsen were absent.) (A quorum of the Utilities Commission was present.)

**OPEN THE MEETING**

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

**APPROVE THE MINUTES FROM THE JUNE 27, 2022 UTILITIES COMMISSION MEETING**

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Chairman Siepker asked if there were any additions, corrections or issues regarding the minutes for the June 27, 2022 Utilities Commission meeting. Hearing none, Siepker declared the minutes approved as mailed.

**DEPARTMENTAL REPORTS**

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**Electric Department**

MRES Jackson Distribution Maintenance Foreman Tony Nitchals reported the Electric Department has been working to remove wood utility poles and old electric wires along White Street.

Nitchals said plans are to replace all of the street lights on White Street with aluminum street light poles similar to the ones on South Street. He noted the only problem is the aluminum poles are back-ordered. In the meantime, Nitchals said the Electric Department placed some wood poles where they plan to eventually install the new aluminum poles. He said the new aluminum poles may arrive in November.

Nitchals said currently the Electric Department is kind of on standby for mutual aid due to the hurricane that striking Florida. He said Luverne is sending their digger truck and two personnel. Nitchals said the Electric Department in Jackson will be on standby with their digger truck if Luverne needs assistance with a digger truck since Luverne is sending their truck to Florida. He said the Electric Department in Jackson was going to send one staff member to Florida but that didn't work out so Jackson and Lakefield will still have a full crew. Nitchals there was talk of using the Jackson Electric Department's small bucket truck if that was approved, however that didn't occur because there was no staff member available to accompany the truck.

Nitchals reported the transformer has been placed and underground work completed for the new Family Dollar/Dollar Tree store in Jackson.

## **Water Department**

Water/Wastewater Superintendent Tony Oxborough reported the City Council approved updating the controls from Lift Station Number 1 to communicate with the Water Plant's SCADA (Supervisory Control and Data Acquisition) system. He said this will help the Water Department personnel with daily maintenance and will also allow them to control operations with their phones.

Regarding the lagoon ponds, Oxborough said the Water Department is going to install a rock sorting rack so they can add to the riprap on the perimeter of each pond to help control erosion. He said instead of it being a \$2 million project, the Water Department is just going to work on updating the rip rap themselves.

Oxborough said the “90 percent” design plan meeting was recently held with the engineers from SEH for the iron filter rehab project at the Water Plant. He said it’s hoped that plans can be submitted to the State in October. He noted the project is close to being on schedule.

In other updates, Oxborough said the City sent a letter to the Jackson County Fair Board informing them that the sewer line from the former swimming pool bathrooms at the fairgrounds has constant flow coming out of it due to the natural springs in that area. He noted the City’s policy dictates that the Fair Board has to get that repaired within 90 days before having to pay \$50 per monthly utility bill.

Skaret asked Oxborough if he knew where the Fair Board was at as far as scheduling a contractor to repair the problem.

Oxborough said he referred the matter over to Street Superintendent Markman because, at the time of the call, he was on a hunting trip.

Markman said he spoke with County Public Works Director Tim Stahl. He said he informed Stahl that the County’s ditch crew could do the digging to repair the line. Markman said he hasn’t heard back from Stahl; however, he’s been informed that County Administrator Ryan Krosch indicated the County would repair the problem. Markman said the repair will only involve about 200 to 300 feet of sewer line that’s about four feet deep.

Oxborough said the repair to the line will provide a noticeable change in the amount of water that will be removed from the City’s sewer system. He said it’s a constant flow of water leaking into the sewer line all the time. Oxborough said he was told that the former City swimming pool was spring fed and the pool never had to topped off because there was so much water naturally in that area. He said the old swimming pool was filled in and the natural water went somewhere and is going into the former swimming pool’s bathroom sewer line at the fairgrounds.

Oxborough reported Trevor Neal has been a member of the Water Department staff for over six months. Oxborough said Neal will take over his spot on the rotation on the on-call schedule.

Oxborough said the Water Department personnel spent over a week-and-a-half updating information on the City’s 200 fire hydrants regarding p.s.i.

Oxborough said there was no new information regarding receiving more antennas for the AMI water meters so new water meter installations are at a standstill. He said the Water Department has about 600 water meters with no antennas. Oxborough said it's hoped another shipment of 200 antennas will arrive before Christmas.

Oxborough said the Water Department personnel are currently working on repairs and lift station checks. He said small discharges will occur from the polishing ponds at the City's lagoons. Oxborough noted it's the earliest that discharges have been done. He said discharges at the rest of the lagoon ponds will be done at the end of November.

## **STREET DEPARTMENT**

Street Superintendent Phil Markman said the Street Department is starting to wrap up the summer season.

Markman said he's been notified that contractor, Duininck's Incorporated, are planning to start on a couple projects in Jackson in the next week. He said those projects include resurfacing Northridge and Westridge Drives and a partial block on Riverside Drive from State Street to the entrance into Ashley Park. Markman said work on Emily Street will not be done this year.

Markman said the Street Department is waiting for a contractor to repair some curb on upper Grant Street that has washed out with some of the heavy rains that have occurred. He said like everyone else is experiencing right now, contractors are busy and are sometimes difficult to get scheduled. Markman said the curb repair should not take long once the contractor arrives.

Markman said the process of shutting down the City's parks for the season will begin in a couple of weeks. He said the portable toilets will be removed from the parks before Halloween to reduce the possibility of any vandalism occurring. Markman said the Water Department will shut the water off in the parks before freezing temperatures start occurring on a regular basis.

Markman said the Street Department is in transition from summer to fall to prepping for the winter season. He said the street sweeper will soon begin sweeping up leaves.

Skaret noted the downtown alley project has been delayed to next year due to a combination of the contractor being backed up on their schedule and not being able to get materials and supplies, particularly manhole structures. He said that's a big reason why the Emily Street project has also been delayed to next year.

Skaret said the contractor might still be able to install the concrete pad for the skating rink this fall, but no action on the downtown alleys until next year. He noted the contractor still has to honor this year's bid for the projects that have been delayed to next year.

### **WATER AND SEWER CONNECTION UPDATE FOR MITCH JASPER AT 805 BAILEY STREET**

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Skaret said Utilities Commission members may recall the issue of the water and sewer connections at 805 Bailey that were discussed at a couple of their meetings. He said the issue concerned how water and sewer connections would be made to a second house that Mitch Jasper moved onto a lot he owns at the corner of Bailey and Avenue B.

Skaret said Jasper had requested to have a shared service line with the neighboring house he owns on the lot for the water and sewer service. He said Jasper needed to obtain approval from the Utilities Commission for an interconnection agreement. Skaret noted the Utilities Commission tabled action on that request until they found out what Jasper planned to do with the electric service and whether he planned to have a shared electric service between the two houses.

Skaret said the Utilities Commission had Jasper's electric connection on their agenda for two meetings but Jasper never attended and the issue just kind of went away until Tuesday, September 20th. (2022)

Skaret said Jasper attended the September 20<sup>th</sup> City Council meeting and wanted to know why the Utilities Commission was stonewalling him. He said Jasper wanted his permit approved because he was ready to complete hooking up the second house to utilities.

Skaret noted the City Council had approved an ordinance prohibiting any shared services between houses and that water and sewer services have to be hooked up directly to the City main. Skaret said Jasper was fine with that requirement.

Skaret said the City Council granted approval for Jasper to hook up directly to the City's mains for water and sewer service. He said Jasper was eager in getting the electric service hooked up to the house as well. Skaret said MRES Jackson Distribution Maintenance Foreman Tony Nitchals didn't want to hook up the electric service to a house that didn't have any water or sewer service yet.

Skaret informed the Utilities Commission members that Jasper's project at 805 Bailey Street is moving forward.

More said Jasper told the City Council he would abide by all the City's codes. Skaret said this agenda item was informational for the Utilities Commission.

## **NOVA SOFTWARE LICENSING AGREEMENT FOR WIND AND SOLAR ELECTRIC INTERCONNECTIONS**

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Skaret explained NOVA is a product that's provided by a company called Star Energy Services from Alexandria, Minnesota.

Skaret said it's getting to be a bigger issue regarding interconnections for wind and solar electric power.

Siepkner asked if this had to do with home solar and wind power.

Skaret said it has more to do with the school. He said some industries have also inquired about it.

Skaret explained the City doesn't really have a formal process pertaining to instances when someone installs solar panels or wind turbines and they have to connect to the City's electric system. He said the excess power has to go back into the City's electric system. Skaret said Electric Department Manager Tony Nitchals has the 330-page book that the City is suppose to go by.

Nitchals said it's called an "interconnection agreement". He explained the State has certain regulations. Nitchals said the regulations outline details regarding how many kilowatts are produced by the solar panels or wind turbines. He said there are rules pertaining to how much electricity is produced by private solar panels and wind turbines. Nitchals said the book also outlines the metering for it all.

Nitchals said the NOVA Power Portal puts all the records information regarding wind and solar interconnections online and is easily accessible eliminating the need to find physical storage space somewhere for the records.

Skaret said the NOVA Power Portal is something Missouri River Energy Services is strongly encouraging utilities to sign up for. He said there's an \$800 initial setup fee and training. Skaret said there's also an annual \$2,000 service fee for the program up to 25 applications per year.

Skaret concurred with Nitchals that the NOVA Power Portal would really simplify the process. He said it would basically walk the City's Electric Department and the electric customer through the distributive generation interconnection process in compliance with Minnesota regulations and the interconnection handbook. Skaret said it also provides consistency for everybody.

Skaret said the JCC School District is planning for a solar project. He said the State of Minnesota has an incentive program for schools to install solar panels. Skaret said AGCO has also talked about installing solar panels in the past. He said currently AGCO participates in Missouri River Energy Services' Bright Energy Choices Program where AGCO buys renewable energy credits to offset the carbon energy.

Skaret said he has a feeling that there will be more, not less, applications pertaining to solar and wind power interconnections in the future. He said he would recommend that the Utilities Commission recommend to the City Council that the City moves forward with the NOVA Software Licensing and Maintenance Agreement for Wind and Solar Electric Interconnections. Skaret said it will benefit the City and provide for efficiency.

Nitchals said the NOVA Power Portal will be beneficial in maintaining and retrieving records when needed instead of maintaining paper files.

Skaret said the NOVA Power Portal will also be more efficient for the City office staff.

Siepkner asked for a motion regarding a Utilities Commission recommendation to the City Council.

**JENNA SCHWARTZ/MICHAEL MORE moved and it was unanimously carried for the Utilities Commission to recommend to the City Council to approve the NOVA Software Licensing Agreement for Wind and Solar Electric Interconnections.**

## **RESIDENTIAL WIND TURBINES**

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Skaret explained there are some cities that are starting to take a look at wind turbines particularly in residential areas. He said it's a topic the City's Planning and Zoning Commission will be talking about at an upcoming meeting. Skaret said currently the City doesn't really have any regulations regarding wind turbines in residential areas. He asked if wind turbines are something the City wants to allow in residential areas. Skaret said it's one thing to have turbines in the far reaches of the community where residences are spread apart.

Skaret said in some communities, there have been complaints about the noise the turbines create in residential areas.

Maschoff noted there have been cases in the Minneapolis-St. Paul area where residential wind turbines have caused a lot of complaints due to noise, aesthetics, dead birds and other issues creating a lot of problems in a residential area. He said it's an issue that probably needs to be looked at and see what the City wants to do with it.

From a utility standpoint, Skaret said a resident with a residential wind turbine would have to go through the interconnection process assuming the NOVA Power Portal is adopted. He explained part of the reason behind the Bright Energy Choices Program was to alleviate the situation of every house having a wind turbine or solar panels and provide an easier way for people to be green without the wind turbines and solar panels. He said that's what Missouri River Energy was trying to do with the Bright Energy Choices Program.

Jenna Schwartz asked if City staff has spoken with other cities about how they're dealing with residential wind turbines or their thoughts about it.

Skaret said the situations he has seen with residential wind turbines have been in the metro area. He said he's not aware of cities in our area taking action regarding residential wind turbines. Skaret said it's something that will probably happen sooner than later.

Skaret said the issue of residential wind turbines is nothing the Utilities Commission has to decide on. He said the Planning Commission may want some input from the Utilities Commission. Skaret asked Utilities Commission members if they would like the City to not allow residential wind turbines, allow it with some restrictions or not have any restrictions at all.



Maschoff said from a Planning and Zoning standpoint, based on other unrelated issues the Planning Office has seen in the past, he would suggest not allowing wind turbines in a residential setting.

Jenna Schwartz suggested gathering more information about residential wind turbines before making a determination on what would be allowed or having a total ban.

Maschoff suggested wind turbines in a residential setting could pose potential problems in a densely populated neighborhood.

Jenna Schwartz suggested maybe residential wind turbines could be allowed in areas zoned as agricultural-residential.

Maschoff said the purpose of this agenda item was informational at this point and to make the Utilities Commission members aware of it. He said it's an issue the Planning and Zoning Commission will discuss at a future meeting.

Siepkner suggested if residential wind turbines were allowed, they would be allowed only upon the approval of a conditional or interim use permit. He said the conditional/interim use permit process would notify adjacent property owners of what was being proposed before a residential wind turbine was installed.

Skaret said this agenda item was for discussion and information.

Jenna Schwartz suggested gathering more information from other cities about what they are doing regarding residential wind turbines.

## **POSSIBLE GIS SYSTEM QUOTES**

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Skaret said he would recommend the Utilities Commission table this agenda item. He said he received a revised quote from SEH on their GIS System. Skaret said he also reached out to DGR so the Utilities Commission would have some quotes to compare.

Skaret said the GIS systems are all pretty similar. He said it would be good to have more than one quote in order to have done due diligence regarding prices.

Skaret said once an updated quote is received from DGR, then he and Oxborough, Nitchals and Markman will sit down to review the pros and cons of each GIS proposal and what will work best for the City. He said then a more formal recommendation can be brought forth to the Utilities Commission.

## **UTILITY CUSTOMER DEPOSIT REQUIREMENTS**

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Skaret said this issue was brought forth by a City Councilmember. He said the Councilmember had received a complaint about the City's policy on utility deposits.

Skaret passed out a copy of the current letters the City sends out when someone does not pay their utility bill by the due date.

Skaret explained the City has a long-standing policy that if a utility customer is late in paying their utility bill by the due date two times within a six-month period, the customer is required to make a \$200 or \$300 deposit. He said the customer gets that deposit back after a year if they're not late in paying their monthly utility bill by the due date. Skaret said the deposit is returned with a small amount of interest that's set by the State.

Skaret said a complaint was received saying that the policy was punitive towards someone who intends to run down to City Hall and pay their utility bill, but had put the bill and payment up in their vehicle's visor and then stopped to get a cup of coffee and forgot about it until later and they became late. He said the customer thought the City's policy was too harsh.

Skaret said he informed the City Council the complaint would be brought up at the Utilities Commission meeting to review the City's policy.

Skaret noted utility customers get a notice after their first time being late that states if the customer is late again within a six-month period, the customer will be required to pay a \$200 or \$300 deposit depending on what kind of heat they have.

City Finance Officer Deb Mitchell said utility customers can sign up to be a bank customer instead of paying the deposit. She explained then the customer's utility bill will automatically be taken out of their checking account when it's due. Mitchell said in those cases, the customer would not have to make the deposit if they sign up to have their utility bill automatically taken out of their checking account.

Jenna Schwartz asked why the information about signing up to be a bank customer and having the utility bill automatically taken out of a person's checking account is not included in the first late notice that is sent.

Skaret asked Mitchell why the option of signing up to be a bank customer was not included in the first late notice.

Mitchell said the late notice letters were reviewed several years ago by the Utilities Commission and the City Attorney and this was the way they decided it was the best to write them up. She said it's not that the late notice letters can't be changed. Mitchell said the option of signing up as a bank customer was included in the second late notice letter to inform the utility customer that they have choices and they don't have to pay the deposit. She pointed out so many people don't even read the first late notice and call City Hall and think they owe a deposit right away. Mitchell said some don't even take time to look at the late notice letter. She said maybe the reason the option of signing up as a bank customer was not included in the first late notice letter was to avoid having too much information on the first letter and customers getting confused. Mitchell said adding information about the option to sign up as a bank customer could be added to the first late notice letter. She said she'd have no objection to that.

Skaret explained utility payments are normally due on the 15<sup>th</sup> of the month unless the 15<sup>th</sup> falls on a weekend. He said if the utility payment is not made by the 15<sup>th</sup>, the City Hall office staff prints out the list of overdue utility payments and the past due notices are sent out the day after.

Mitchell said the City Hall office staff waits until the mail arrives on the 16<sup>th</sup> of the month and then they close out. She said the drop box at City Hall is also checked about three times the morning of the 16<sup>th</sup> because there are customers that know the utility bills are closed out on the 16<sup>th</sup> so they can still drop payments into the drop box on the morning of the 16<sup>th</sup> and not be late. Mitchell said the office staff also checks the mail and if the payment is postmarked the 15<sup>th</sup>, even if it comes in later, the late charge is returned and the customer is not required to make a deposit. She said the office staff checks the date of the postmark on payments that are mailed.

Oxborough asked what the feedback was regarding the late notices and City's policy requiring a deposit if two late utility payments are made within a six-month period.

Skaret said the feedback is that the City's policy for a deposit was too harsh.

Siepkner said he doesn't really see anything wrong with the City's current policy.

Jenna Schwartz said she thinks the City's policy is good but suggested changing the first late notice letter to include the same information about the option to be a bank customer that's printed in the second late notice letter.

Siepkner said it could be stated on the first notice, to avoid having to make a deposit if late twice within a six-month period, a customer can become a bank customer and there's no worry about being required to make a deposit.

Mitchell pointed out the City has over a third of their utility customers that already are bank customers and have their monthly utility bills automatically taken out of their checking account.

Skaret noted that customers can also now go to the City's website and pay their utility bill online.

Skaret said he's not hearing any loud cries from the Utilities Commission members about changing the City's current policy requiring a \$200 or \$300 deposit be made if a utility bill payment is late twice within a six-month period.

Siepkner said no.

Skaret said the first late notice letter can be amended to include information about the option for utility customers to become a bank customer.

Swartz and Siepkner agreed.

Siepkner asked for a motion.

**JENNA SCHWARTZ/JOE MARTHALER moved and it was unanimously carried to amend the City's first late notice utility letter to customers to include information that utility customers have the option of signing up to be a bank customer so their monthly utility payment will be automatically taken out of their checking account thus avoiding the requirement to pay a \$200 or \$300 deposit if they are late twice within a six month period and also that utility customers have the option to pay their monthly utility bill online, on time by the 15<sup>th</sup> of the month.**

## **ADJOURNMENT**

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Sieper asked if there were any other issues to be brought before the Utilities Commission. Hearing none, Sieper asked for a motion to adjourn.

**JENNA SCHWARTZ/MICHAEL MORE moved and it was unanimously carried to adjourn the Utilities Commission meeting at 4:47 p.m.**

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**David Maschoff, Recording Secretary**

