

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

July 24, 2018, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held in Commission Offices, 907 First Street, on June 24, 2018, at 1:00 P.M.

Present: Chairman Mindi Siercks and Commissioners George Freichels and Henry Findell.

Absent: None

Also Present: Manager Connie Wangen, Bookkeeper Kathy Ohman, City Councilor Jack Edmonds, Electric Supervisor Jon Brooks, and Water Superintendent Scott Daniels.

Meeting was called to order by Chairman Siercks at 1:01 P.M.

Chairman Siercks called for additions or deletions to the agenda. Additions: FYI: A. Connector Newsletter.

Mr. Freichels moved to approve the Minutes of the June 27, 2018 meeting. Mr. Findell seconded. Motion carried unanimously.

Manager Wangen reported the following:

- A. The SMMPA Board Meeting was held July 11th in Redwood Falls. Manager Wangen was unable to attend the meeting and has not received information on the meeting at this time.
- B. In the Electric Department, the line crew is working on right of way maintenance east of Princeton and tree trimming. We are looking to start upgrading the voltage by the fairgrounds this summer. We have been waiting for the fuse coordination study from SEH before beginning the upgrade. There was an outage on July 12th east of Princeton due to high winds. Majority of the customers without power were on Alpha Road and Silver Lake Road area.

In the Water Department, we have seen some plans and specs on the 5th Avenue North watermain relocation. Once it is approved, this project will go out for bids. There was a meet today on the replacement of the ¾" water line with a 2" line on 13th Avenue North which affects four homes. Work will begin on Tuesday, July 31st. Cost to replace this line is estimated between \$10-15,000.00. This water line will be connected to 1st Street.

- C. Aldi's building is moving forward. Kwik Trip is still planning on building this fall. It was reported that it's uncertain if Casey's will be building a new store this year. There has been talk the Dairy Queen is purchasing a lot by Coborn's and putting up a new building.
- D. Manager Wangen reported the air permit is out for public comment for one month. It will then be presented to the EPA for their comment.

- E. The Princeton City Council will have a Franchise Fee presentation on Thursday, July 26th from 5:30 to 6:30 p.m. Manager Wangen has been asked to attend the Council Session after and do a presentation on PUC rates along with comparison of surrounding utility rates.

The Middle Water Tower restoration is 99% completed with the painting done. T-Mobile is waiting until after their system upgrade to place their antenna and equipment on the tower. Verizon has a few items to complete.

Manager Wangen reported the updated City Ordinance prohibiting private wells was passed at the last Princeton City Council meeting.

Manager Wangen and Water Superintendent Scott D. have updated the PPUC Water Service Rules and Regulations addressing private water hydrants. This update addresses yearly inspections and servicing private water hydrants. Mr. Findell made a motion to approve the updated PPUC Water Service Rules and Regulations. Mr. Freichels seconded. Motion carried unanimously.

An updated PPUC Fee Schedule was presented by Manager Wangen to the PPUC Commission for approval. In the updated fee schedule, every common charge is addressed along with adding a fee for meter tampering. Mr. Findell made a motion to approve the updated PPUC Fee Schedule. Mr. Freichels seconded. Motion carried unanimously.

A recap for the Electric and Water Departments as of June 30, 2018 compared with the budget was presented to the PUC Commission. Electric revenue is approximately 3% under total revenue budgeted and total operating expenses are just under budget approximately 8%. Water revenue is approximately 4% under total revenue budgeted and approximately 11% under budget with total operating expenses.

Manager Wangen reported we have received the 2019 health insurance rates. Health insurance rates in 2018 decreased approximately 2%. In 2019, health insurance will have a 25% increase. The current health insurance plan has a \$2,500.00 deductible with 100% coverage thereafter. After a discussion, it was the consensus of the Commission for Manager Wangen to do some price checking with other insurance companies.

West Birch Townhomes have purchased the former Arcadian Homes property and will be building a 16 unit apartment building on this property. For this unit, there will be a 6" water service going to the building. WAC fees for a 6" water service with the new rate structure would be \$12,000.00. Prior to Bob Barbian, City Administrator being hired, the City of Princeton authorized reducing the WAC and SAC fees to \$4,000.00 WAC fees and \$4,200.00 SAC fees which is stated in the development agreement. City Administrator Bob Barbian has guaranteed the City of Princeton will make up the \$8,000.00 difference of the WAC fees through TIF (Tax Increment Financing) which is paid over several years at 3½% interest. The developer of the unit has a signed agreement and will not pay any additional WAC fees then what is stated in the agreement. Manager Wangen will meet with Bob B. to draw up a signed agreement for repayment of the \$8,000.00.

With the MMUA Summer Conference being held August 20th, 21st, and 22nd and Manager Wangen being attending this conference, it was the consensus of the Commission to change the August Commission Meeting from August 22nd, 2018 to August 29th, 2018 at 1:00 p.m.

The July 2018 Connector Newsletter was included.

The attached list of bills was reviewed and approved by the Commission.

There being no further business, meeting adjourned at 2:25 p.m.

Mindi Siercks
Chairman

Kathy Ohman
Secretary