

**NEW PRAGUE UTILITIES COMMISSION
MEETING MINUTES
October 15th, 2012**

The regular meeting of the New Prague Utilities Commission was held on October 15th, 2012, at 3:30 p.m., at 118 Central Avenue North, New Prague, MN 56071.

PRESENT: Commissioners Chuck Wann, Richard Jordan, Dan Bishop, Paul Busch and, Chuck Nickolay.

OTHERS PRESENT: Public Works Director Dennis Seurer, Administrative Services Director Patty Solheid, Electric Operations Supervisor Bruce Reimers, Bolton and Menk Engineer Jon Peterson and City Administrator Mike Johnson

ABSENT: None

1. **CALL TO ORDER:** The meeting was called to order by President Chuck Wann on October 15th, 2012, at 3:30 p.m.
2. **APPROVAL OF AGENDA:** Motion made by Commissioner Bishop to approve the agenda as presented. Second by Commissioner Busch. Motion carried.
3. **MEETING MINUTES:** Motion by Commissioner Jordan to approve the September 24th, 2012, meeting minutes, second by Commissioner Bishop. Motion carried.
4. **UTILITY & SMMPA BILLS:** Motion by Commissioner Nickolay to approve claims for payment in the amount of \$326,344.01 and SMMPA claim of payment in the amount of \$394,279.89. Second by Commissioner Busch. Motion carried.
5. **FINANCIAL REPORTS A – C:**
 - A. Investment Report – The Investment Report was presented for review and approval.
 - B. Financial Report – The Financial Reports for September were presented for review and approval.
 - C. Kilowatt & Water Sales – The kilowatt and water sales were reviewed.

Motion made by Commissioner Nickolay to approve the Investment and Financial Reports as presented. Second by Commissioner Busch. Motion carried.

6. **SMMPA BOARD OF DIRECTORS MEETING SEPTEMBER 13th, 2012:** Public Works Director Dennis Seurer presented minutes from the September 13th, 2012, SMMPA Board of Directors meeting for their information. No action needed.
7. **ELECTRONIC BILLING OPTIONS:** Patty Solheid presented information to the Commission regarding options available to offer customers the ability to pay their utility bills on-line and or to go paperless and the associated costs. After a discussion a motion was made by Commissioner Nickolay, seconded by Commissioner Busch to move

forward with offering customers the option to pay their utility bill on-line with a credit card initially. Motion carried. It is also the consensus of the Commission to have staff inform the customers of this through the monthly news letter and to continue to look at the paperless option for a later date.

8. **(A) WATER FILTER PLANT #1 BUILDINGASSESSMENT:** Jon Peterson of Bolton and Menk presented an evaluation report regarding the physical condition of Water Treatment Plant #1 and cost options for the rehabilitation of the building for the Commission's consideration. After a discussion a motion was made by Commissioner Nickolay, seconded by Commissioner Jordan to move forward with Mr. Peterson's recommendation which is to construct a wood truss reinforcement system at a cost not to exceed \$20,000. Motion carried. It is staff's intention to perform the work with utility staff.

(B) WATER TOWER PAINTING PROJECT: Jon Peterson of Bolton and Menk presented a proposal to the Commission to provide engineering services for the painting of the East Water Tower. After a discussion a motion was made by Commissioner Busch, seconded by Commissioner Bishop to approve the proposal from Bolton and Menk to provide engineering services for the painting of the East Water Tower as presented. Motion carried.

9. **HIGHWAY 19 TRAIL PROJECT:** The Commission was presented with a detailed expenditure list regarding the cost to provide street lighting for the Highway 19 Trail Project. Once the project is closed out more information will be available as to the final cost of the project.
10. **LEAD AND COPPER TESTING RESULTS:** The Commission was presented with a letter from the MDH notifying the utility that the Utility passed its recent round of lead and copper testing. The testing is conducted on a triennial basis. The next round of schedule sample testing is in 2015. The residents that participated in the sampling were notified of the results.
11. **2013 ELECTRIC AND WATER DEPARTMENT BUDGETS:** Staff presented to the Commission the preliminary Electric and Water Department Budgets. After a discussion regarding the electric budget a motion was made by Commissioner Nickolay, seconded by Commissioner Jordan to approve the Electric Department Budget as presented with the following exception; under the capital projects regarding the wood chipper staff will determine the cost allocation share based on the estimated hours the Electric, Streets, Parks, and Golf Course Departments utilize the machine. Staff will bring this issue back to the Commission for their review.

After a discussion regarding the Water Department Budget a motion was made by Commissioner Jordan, seconded by Commissioner Bishop to approve the budget as presented with the 6% overall rate increase. Motion carried. The budget will be presented to the City Council for their consideration.

12. ELECTRIC SERVICE TERRITORY: Public Works Director Dennis Seurer presented to the Commission a letter he sent to Roger Geckler the General Manager of MN Valley Electric Coop regarding the Commission's intention to provide electric service to all areas within the City limits of New Prague per state statute when the current standstill agreement expires in December 2012.

13. OPERATIONS REPORT: The Commission was informed of the following:

1. The Water department experienced a water main break on the intersection of Lexington Ave N and 5th St NE.
2. The SMMPA Annual meeting is scheduled for October 18th and 19th. Paul Busch, Bruce Reimers, and Dennis Seurer are scheduled to attend.
3. Bruce Reimers reported on the status of the GIS project that is under way, the Transmission Switch Gear Project and the Generation Emission Project at the plant.

12. OTHER BUSINESS:

1. Discussion was held regarding the replacement of the Public Works Director position. City Administrator Mike Johnson presented information to the Commission regarding the use of City Engineer Chris Cavett assisting the City as an interim Public Works Director. After the discussion a motion was made by Commissioner Bishop, seconded by Commissioner Nickolay to support the process that was presented. Motion carried by a 4 to 1 vote; Commissioner Dick Jordan voting against the motion.

With no further business a motion was made by Commissioner Nickolay, to adjourn the meeting at 6:10 pm, seconded by Commissioner Jordan. Motion carried

Dennis Seurer