

**NEW PRAGUE UTILITIES COMMISSION
MEETING MINUTES
March 28th, 2011**

The regular meeting of the New Prague Utilities Commission was held on March 28th, 2011, at 3:38 p.m., at 118 Central Avenue North, New Prague, MN 56071.

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

ABSENT: Commissioner Chuck Wann

OTHERS PRESENT: Public Works Director Dennis Seurer

1. **CALL TO ORDER:** The meeting was called to order by Vice President Bishop on March 28th, 2011, at 3:38 p.m.
2. **APPROVAL OF AGENDA:** Motion made by Commissioner Nickolay to approve the agenda as presented. Second by Commissioner Jordan, with the addition of water tower radio lease under other business. Motion carried.
3. **MEETING MINUTES:** Motion by Commissioner Jordan to approve February 22nd, 2011, meeting minutes, Second by Commissioner Busch. Motion carried.
4. **UTILITY & SMMPA BILLS:** Motion by Commissioner Nickolay to approve claims for payment in the amount of \$429,031.94 and SMMPA claim of payment in the amount of \$368,980.18. Second by Commissioner Jordan. Motion carried.
5. **FINANCIAL REPORTS A – C:**
 - A. Investment Report – The Investment Report was presented for review and approval.
 - B. Financial Report – The Financial Report was presented for review and approval.
 - C. Kilowatt & Water Sales – The kilowatt and water sales were reviewed.

Motion made by Commissioner Busch to accept the Investment and Financial Reports as presented with the understanding that staff will report back on the Municipal Investor Account that was closed out on January 19, 2011. Second by Commissioner Nickolay Motion carried.

6. **SMMPA BOARD OF DIRECTORS MEETING FEBRUARY 9th, 2011:** Public Works Director Dennis Seurer presented minutes from the February 9th, 2011, SMMPA Board of Directors meeting to the Commission. No action needed.
7. **SMMPA BOARD OF DIRECTORS MEETING MARCH 9th, 2011:** Public Works Director Dennis Seurer informed the Commission of the business that was discussed at the March 9th, 2011, SMMPA Board of Directors meeting. No action needed.

8. **WELL # 3 OVERHAUL:** The Commission was presented with quotes to overhaul Well #3 from Keys Well in the amount of \$14,877.70 and Their Well in the amount of \$17,151.03. After a discussion a motion was made by Commissioner Nickolay, seconded by Commissioner Busch to approve the low bid from Keys Well in the amount of \$14,877.70 for the overhaul of Well #3. Motion carried.
9. **RATE COMPARISON STUDY:** The Commission was presented with an electric and water rate comparison study that was completed by the Owatonna Public Utilities for their information.
10. **ELECTRIC SERVICE TERRITORY:** Public Works Director Seurer presented the Commission with information from MMUA regarding their position paper on The Right of Municipal Utilities to Grow With their Cities.
11. **STREET LIGHT PROJECT:** Public Works Director, Dennis Seurer presented the Commission with information regarding the “West Trunk Highway 19 Trail and Lighting Enhancement Project” which the City has been approved to receive funds from MN DOT District 7 for their fiscal year of 2013. If the City Council chooses to move forward with the project the City needs to match 20% of the eligible project costs. The Utility’s share of the street light installation will be approximately \$58,000. After a discussion a motion was made by Commissioner Busch, seconded by Commissioner Nickolay to have the electric department commit to the expenditure of approximately \$58,000 if the City Council moves forward with the project. Motion carried.
12. **DELINQUENT BILLING:** The Commission was presented with information from the City Attorney Scott Riggs regarding the delinquent utility bills, in particular the electric at rental properties. State law makes data on customers of municipal electric utilities private data; it appears that in order for delinquent accounts to be assessed to the property taxes the utility bills need to be with the property owner and not the renter of the property. After a discussion it remains the consensus of the Commission to have the property owner responsible for the utility bills at their property per City Ordinance. It is the intention of the staff to inform the property owners of the change that would take effect in the latter part of the year to allow property owners time to make any changes they may need to do.
13. **OPERATIONS REPORT:** Public Works Director, Dennis Seurer reported the following information:
 1. Seurer attended the APPA conference in Washington D.C. on February 28th through March 3rd. The key issues discussed were the acquisition of the BNSF Railroad by Berkshire Hathaway and how the STB will handle acquisition premium costs along with climate change issues and the economic effect it could have on coal generation.
 2. Received a letter from Ray Hayward the CEO of SMMPA notifying the membership of his intentions to retire his year
 3. Ray Hayward and LuAnn Nelson attended the Rotary meeting in New Prague to discuss electric efficiencies that are available through the Utility and the Agency along with an overview of the SMMPA Agency.
14. **OTHER BUSINESS:** Public Works Director, Seurer informed the Commission that he has been in contact with a paging company that would like to install paging equipment on the east water tower to improve the paging capabilities for North Memorial Hospital Ambulance service. The paging company would be responsible for a monthly lease payment to the Utility and has agreed to pay for all the attorney fees that are incurred by

the Utility to put the agreement in place. After a discussion a motion was made by Commissioner Nickolay, seconded by Commissioner Busch to authorize staff to enter into a lease agreement with the American Messaging for purpose of installing an antenna on the east water tower. Motion carried.

With no further business a motion by Commissioner Nickolay to adjourn the meeting at 5:06 p.m., second by Commissioner Jordan. Motion carried.

Dennis Seurer