

**UTILITY
ADOPTED MINUTES
MAY 14, 2019
CITY HALL
4:00 P.M.**

Present: Ern Malchow, Doug Anderson, Darrell Nissen and Brian Rossow

Absent: Chad Janssen

Others Present: Holly Rademacher, Cheryl Ulferts, Kelly Rasche, Rusty Kaderabek and Joni Hanson

Call the meeting to order by Darrell Nissen at 4:00 pm

Motion by Anderson, second by Malchow to approve the agenda, with addition (Tuck Pointing the Power Plant). All Yes, Motion Carried

Motion by Malchow, second by Rossow to approve the minutes of April 9, 2019 as printed. All Yes, Motion Carried

Motion by Rossow, second by Anderson to approve the accounts payable totaling \$492,233.58, and approve the Investment and Transfer Activity Report. All Yes, Motion Carried

Holly told the board that we are making headway on the Accounts Receivable. 4 accounts were turned off this morning, with 1 account getting turned back on. Holly stated that we are working with the customers on payment plans.

Cheryl Ulferts presented the 1st Quarter Financials. Cheryl noted that the water fund expenses are in line. Every year the water usage seems to creep down. Cheryl said that the 2019 water loss is up, especially March and April. There was approximately 2,000,00 gallon loss during this time. We seem to be losing as much as we are selling. The guys are trying to track down what the issue is. Rusty said that the issue started the very end of February. Rusty noted that MN Rural Water was here on May 13th with some equipment that listens for leaks. A leak was found, but the leak was after the meter. The water leaks at the Brandon Laabs and the Alton Gentz residences have been fixed. A water leak was found at Thomas Dutton's house (213 Funk Ave) and will have to be repaired. Rusty also said that the RO System is using a little more water also. Rusty stated that they will keep looking for the problem.

Kelly told the board that the Auditor's will be here on June 3rd to present the 2018 Audit to the City Council. Kelly asked the board if they would consider moving their June 11th Utility Board meeting to Monday, June 3rd so the Auditor's can also present the Utility 2018 Audit.

Motion by Anderson, second by Malchow to approve moving the June 11, 2019 Utility Board meeting to Monday, June 3, 2019. All Yes, Motion Carried.

Rusty updated the board on the Kozy Heat Electric relocation project. Rusty, Jeff Becthold (MRES), Chad (DGR engineer) and Todd Hendricksen and Scott Sievert from Kozy Heat all met and discussed the project. Kozy Heat would like to proceed with this project ASAP. Kozy Heat has dealt with Tyson for their property, and are currently working with EDF on some of their land. Rusty said that we have to wait for Kozy Heat to finalize their plans before we can proceed. Kozy Heat is also interested in the City's burn site and concrete site. Kelly stated that if the burn site would be relocated, it would go behind the County Shop. Kozy Heat would like something in writing regarding the burn site. Rusty said that we plan on putting electric all around the area in case of future development. He would also like to get the overhead lines over Hage's building done in this

project also. Kelly stated that there is a possible grant, 50/50 matching Grant, that may be available for this project. This is like the same Grant as when we upgraded the water lines.

Rusty asked for the board's permission to attend the MRES Trip to Laramie River Station on August 26 and August 27. The cost of this trip is \$600.00. The \$600.00 will cover air fare expense, transportation, lodging, food and anything else associated with the tour.

Motion by Malchow, second by Anderson to approve Rusty attending the MRES Laramie River Station Trip at the cost of \$600.00. All Yes, Motion Carried.

Kelly told the board that Chase Mortenson has finished book 1 in the Merchant Program on April 15th. Chase should have had a .50 cent per hour raise for finishing the 1st book.

Motion by Rossow, second by Malchow to approve the back pay of .50 per hour for Chase Mortenson, retro-active to April 15, 2019. All Yes, Motion Carried.

Rusty stated that he would like to start David Suprenant in the Merchant Program as his 1 year Anniversary is today, May 14, 2019. He now qualifies to enroll in the Program.

Motion by Anderson, second by Rossow to allow David Suprenant to enroll in the Merchant Program. All Yes, Motion Carried.

Commissioner Ern Malchow brought up the idea of possibly putting steel on the Power Plant instead of going ahead with the Tuck Pointing. Ern suggested that we get a price of putting on steel and see how it compares to the cost of \$67,000.00 for Tuck Pointing the building. Chairman Darrell Nissen stated that he would stop and take a look at the condition of the Power Plant. The board agreed that we should get a price of putting on steel at the Power Plant.

Commissioner Rossow updated the board on SMBS. There is a meeting on Thursday and there will be an Audit presentation. At the last meeting, the topic of discussion was the potential of SMBS paying off/down some of the City loans. Brian also stated that the last few days, the buffer has been increasing.

Rusty said that he had talked to Dwaine Milbrath about the transformer by his property. He told Dwaine that they are able to raise the transformer about 4 inches. Rusty informed him that there would be trucks in there, and it could possibly make a bit of a mess.

Motion by Malchow, second by Rossow to adjourn the meeting at 4:55 pm. All Yes, Motion Carried.

Darrell Nissen, Chairman

Attest:

Joni Hanson