

Pursuant to due call and notice thereof, Chair Ardner called to order the regular meeting of the Mora Public Utilities Commission at 3:00pm on Monday, August 15, 2022, in the city hall council chambers.

2. **Roll Call:** Present: Chair Greg Ardner, Commissioners Brett Baldwin, Ryan Christianson, Alan Skramstad, and Dave Chmiel

**Staff Present:** Glenn Anderson, General Manager, Administrative Service Director Natasha Segelstrom, Deputy Clerk Mandi Yoder, Public Works Director Joe Kohlgraf, Accountant Sara King, Utility Billing Clerk Jessica Bliss

3. **Adopt Agenda:** MOTION made by Christianson, seconded by Baldwin, and unanimously carried by the PUC to approve the agenda.
4. **Consent Agenda:** Ardner requested information from the joint meeting minutes and whether there had been a vote on the PUC Salary increase. Anderson stated there had been a consensus to bring the suggested salary increase to City Council for approval and this item was on the City Council agenda. Ardner requested additional information on the July claims, page 4 and the DGR expense for First Presbyterian Church. Kohlgraf explained the application has a fee to pay for the solar plan review with DGR. Ardner suggested an future increase in the permit to ensure the fee covers the electrical engineers cost for plan review and the increased requests for solar panels. MOTION made by Skramstad, seconded by Christianson, and unanimously carried by the PUC to approve the consent agenda as presented.
- a. **Regular Meeting Minutes- July 19, 2022**
- b. **Claims- July 2022**
5. **Open Forum:** No one spoke at open forum.
6. **Special Business:**

- a. **WAC/SAC Fees ISD#332:** Dan Voce, Superintendent of Mora Public Schools, Sean Lewis, Evan Johnson of ICS, and Scott Moe, School Board Chair requested consideration to reduce the WAC/SAC fees for the new high school. Voce explained the school reviewed previous projects to see WAC/SAC fees during those construction projects and did not find any documentation of WAC/SAC or his knowledge any record of the assessed WAC/SAC. Voce further explained that the high school would be demolished and requested the consideration of a service credit. Voce stated that some schools do not get charged and other schools have a credit applied and a negotiated fee agreeable of both parties. Anderson explained that he had reached out to the previous city administrator to assist with location of the documents and staff were unable to locate any letters or communication in the old files.

Ardner stated prior to 2019, there was a different fee schedule that needed review to standardize the fees. King further explained that the Wellness Center and Trailview were built prior to the revised fee schedule in 2019 and the change was unrelated to the construction of the school. City staff felt the fee schedule needed to be more specific to WAC/SAC fees and prior to that, the fee schedule stated to consult with utility staff for an amount. After 2019, the process was normalized, and a detailed formula was used to identify the fees. Ardner further explained, credits had never been given in the past and that other cities referenced were credited by the state, as they felt fit and referenced

the example provided, South Saint Paul. Ardner asked staff how the 800-student count had been configured on the invoice. King explained that she created the invoice based on information provided from the building official, Caleb Christenson and further explained that the Conditional Use Permit stated the lowest occupancy was 952 and the invoice was for 800 students. Ardner stated we billed lower than the permit and could have billed for an additional \$20,000. King stated if MMU had billed at the 952 students as indicated on the permit the bill would have been an additional \$15,600 and if MMU had billed at 1095 students the bill would have been an additional \$42,900.

Voce stated once the high school was complete, the old school would be demolished and that it would no longer be in use and would like to see some sort of credit stated that the expected to pay a fee, one that was reasonable and in line with the school coming out of service and did not anticipate the WAC/SAC to cost that much. Baldwin asked whether the school had a number in mind for the repayment, Voce said they did, however wanted the opportunity to discuss a fair amount. He further explained that during the permitting process communication had been with city staff during the Conditional Use Permit and did not go to the Planning Commission due to the 26 requirements addressed by the city. His concern was during that period, the 15-20 meetings with city staff to resolve the issues in the CUP, the WAC/SAC fees had not been disclosed.

Ardner asked ICS their obligation to the project and accounting for the WAC/SAC fees. Voce stated the fees were included but not to that amount and based on past projects the amount had not been that amount. Lewis stated that due to the previous projects, they had not anticipated for the \$124,000 WAC/SAC fee based on ones that had been recently completed did not have the fees. The Trailview Elementary addition did not have the fees along with other schools throughout the state. Lewis stated it was common practice when building a school, the replaced services were credited against the building and reduced the fees. Lewis explained that the utility would still be able to collect the access charge from the new property owner. Chmiel stated that the school and ICS continue to reference credits and that MMU did not give credits, nor have credits for WAC/SAC and recommend the discussion move forward without credits.

Voce requested to work with the city and administration to discuss an amount both sides would agree. There had been a \$25,000 place holder for WAC/SAC. Scott Moe, School Board Chair, stated throughout the entire Conditional Use Permit process there had not mentioned the fees or dollar amount. The school had received the CUP without any dollar amount attached. Ardner explained that the CUP did not have WAC/SAC on them and that would be on the building permit, which was separate and proceeded to ask if that had been accounted for on the building permit.

King explained that the City did not issue the building permit for the school construction, the State of Minnesota issued the building permit and may not have been aware of our fee schedule. Lewis stated that with his experience and with ICS experience, other public utilities do not charge or reduce the WAC/SAC fees and provided examples. When the school project is run through department of Labor and Industry and when it goes through local jurisdiction the other permits are not issued until the WAC/SAC fees are paid.

King explained to the Commission, if a credit were given, it would be a direct expense to the water and sewer funds as the revenue was recognized in 2021 and anything

negotiated would be an expense to the water in sewer fund in present year.

Chmiel asked Anderson available options to resolve the WAC/SAC fees with Mora Public Schools and if negotiating would set precedence. Baldwin proceeded to explain that in the past, there had been a precedence, and this was referenced and requested additional information. King explained that in 2020 the PUC approved a lower sewer and water access charges for a low-income housing project if it were funded by the state. The project reduced charge was based on the low-income housing and need in the community. The project was not funded or move forward. Baldwin stated that there had been a history of negotiating. Chmiel further asked if the invoice were paid in full, the impact it would have on the school. Voce stated that amount had not been budgeted and additional funds would need to be allocated or use general fund and that would take away from the operational budget.

The PUC discussed when the WAC/SAC invoice was sent, the due date and payment. Baldwin and Christianson did not oppose to staff discussing the fees further and come to an understanding but did not want staff to agree on anything. Anderson acknowledged and stated that the school was similar and could not make decisions without their board. Ardner stated he would like this communication completed in a timely manner. The consensus amongst the PUC was to have staff meet with the school and report back at the September 19, 2022, meeting. MOTION made by Baldwin, seconded by Christianson and unanimously carried to have staff meet with the school, provide a summary of the discussion and provide recommendation at the September 19, 2022 PUC meeting. Voce acknowledged the PUC direction to staff, thanked the Commissioners and staff for their time and stated the deadline would not be an issue.

- b. **mPower GIS Training Request:** Bliss summarized 2021 training from mPower and the measures taken with the SMMPA server to use the GIS. Bliss explained last summer the PUC approved the mPower GIS contract and the 2021 training had not been as helpful due to software compatibility, SMMPA server access and would be helpful moving forward as those issues were resolved. She further explained the previous year's training had been in Minneapolis and the location changes annually and this year's mPower GIS Training was in Boston, Massachusetts. Bliss explained that the expense had been similar in cost. Anderson also explained currently, the city does not have an out of state travel policy and the City Council would be presented a policy at the next meeting. MOTION made by Christianson, seconded by Baldwin and unanimously approved by the PUC to approve the training request contingent on the City Council's approval of the Out of State Travel Policy.

**7. New Business:**

There was no new business.

**8. Old Business:**

- a. **Property Liability Insurance Premium:** Mandi Yoder brought forward the Property Liability and Insurance liability and the total claims from the past three years and detailed there were 25 claims and further explained the city could have saved \$28,258 having the \$2500 deductible during this time. The PUC further discussed the potential deductible and premium savings and determined that the \$2500 deductible was

appropriate. MOTION made by Skramstad, seconded by Chmiel and unanimously carried to recommend approval of Property Liability Insurance Premium.

- b. **2022-2023 Tree Vegetation Approval Plan:** Kohlgraf brought forward a Request for Proposal for Tree Vegetation Removal on the southern half of the city. He noted that the maintenance would assist with outages caused by the tree growth and vegetation. This would be in section two and section three. Kohlgraf stated \$75,000 had been budgeted for this year and an additional \$75,000 for 2023. MOTION made by Chmiel, seconded by Baldwin and unanimously carried to approve the Request for proposal.

**9. Communications:** There were no communications discussed.

**10. Reports:**

- a. Public Utilities General Manager: Discussed staffing within the electric department and budgeting for that moving forward. Anderson thanked staff for their prompt response to the WAC/SAC research to assist collecting information. The PUC discussed the former WAC/SAC charges and the building permits for the former projects with the school district. Anderson brought forward a potential payment plan and if that were an option.
- b. Public Works Director: Provided additional information on the plant line supervisor recruitment and filling the lineman positions mid- next year and having an even number of staff to meet the needs of the city utilities. Anderson and Kohlgraf recognized the positive communications with ECE. Discussed new hire within the water department and positive staffing. Kohlgraf explained issues at the water treatment plant and electrical issues. Discussed some of the larger maintenance that would take place later this year. The water tower was going through their inspection. The large water tower was empty and would undergo inspection. There were no significant issues presented at this time and any issues was covered by the warranty. Kohlgraf provided an update on the Grove Street project.
- c. Commissioner Chmiel: Nothing new to report.
- d. Commissioner Baldwin: Nothing new to report.
- e. Commissioner/Mayor Skramstad: Nothing new to report.
- f. Commissioner Christianson: Nothing new to report.
- g. Chair Ardner: Update on Jerry's Bait and that the state and that there was an approved plan to drill a new well but was delayed due to a new approach. Kohlgraf explained in detail the method.

**11. Adjournment:** MOTION made by Skramstad, seconded by Christianson, and unanimously carried to adjourn at 3:57 pm.

  
Chair

  
Secretary