

MINUTES
LAKE CRYSTAL UTILITIES COMMISSION
REGULAR MEETING
TUESDAY, JULY 9, 2024
8:00 A.M.

The following Commissioners were present:
Commissioners McCoy, Ahrenstorff, and Richards.

Staff Present:

Jeremy Hutchens, Water/Wastewater Superintendent; Madison Allen, Electric Superintendent; Angie Grafstrom, City Administrator; Ramsey Graff, Utility Billing Clerk.

Others Present: Brian Sarff, Bolton-Menk

The meeting was called to order at 8 a.m. by Chairman McCoy.

Commissioner Richards moved, and Commissioner McCoy seconded the motion to approve the June 4, 2024, regular meeting minutes with one spelling correction. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Commissioner McCoy moved, and Commissioner Ahrenstorff seconded the motion to approve utility bills totaling \$499,365.55 The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Discussion was had on CSAH 20/Railroad project bids. 3 bids were received and reviewed:

GM Contracting \$582,561.80

Holtmeir Construction \$914,925.12

Minger Construction \$946,997.96

Commission asked Sarff what made the GM bid so much lower. Sarff stated it was mobilization and boring. The project is to be completed by November 30. The commission was concerned about paying outright for the project as originally discussed as bids were higher than expected. Grafstrom stated she was sure it could be bonded with the Hwy 60 project and the Commission directed her to check on this.

Commissioner McCoy moved and Commissioner Richards seconded the motion to recommend the City Council accept the bid from GM Contracting for \$582,561.80. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Discussion was had on the Spencer Fane Engagement Letter and the service territory for current and proposed annexation areas. The commission is still concerned about taking on the cost when there are so many other pressing projects. The commission requested Grafstrom go back to the firm and ask if they can give an idea of how long this process takes. Is it a few weeks? A few months? Then they will have a better idea of when they would have to start the process of transferring the service territory.

Commissioner Ahrenstorff moved, and Commissioner Richards seconded the motion to table the discussion for further information. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Discussion was had on credit card processing fees. Administrator Grafstrom explained that we currently charge a flat \$1.00, but staff would like to consider accepting credit cards for other things as well. The industry standard is a fee of 3%.

Commissioner Richards moved and Commissioner Richards seconded to recommend council approve the 3% charge for credit card processing. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Superintendent Hutchens updated the Commission on the InControl Automation and Security Service Plan with a 2024 renewal fee of \$7,074, acknowledging the fee increase.

Commissioner McCoy moved and Commissioner Ahrenstorff seconded the motion to approve the travel request of \$1,105.99 for Superintendent Allen to attend the MMUA Summer Conference. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Commissioner Richards moved and Commissioner Ahrenstorff seconded the motion to approve the travel request of \$2,235.28 for Electric Linemen Smith and McDonald to attend the MMUA Overhead School. The following vote was had and taken,

Ayes: McCoy, Ahrenstorff, Richards.

Nays: None.

Superintendent Hutchens updated the Commission on the following:

- HSP #6 had to be postponed
- Overline cleaning and televising was postponed
- Gave details of the rain event June 21-23. Hutchens wished he had more help from other departments due to the amount of overtime put in by his staff. Commissioner Ahrenstorff suggested Administrator Grafstrom schedule a post flood meeting to discuss what went well or could have been handled better.

City Administrator Grafstrom updated the Commission on the following:

- The adjustments since the last meeting:
 - \$1,138.12 Solar
 - \$1,948.99 Energy Assistance
 - \$100.00 account adjustment for accidental shut-off
- CSAH 20/RR Bids
- Flooding bill submitted to county in the amount of \$12,071.20
- Budget worksheets have gone out to all departments

Superintendent Allen updated the Commission on the following:

- Outage Report: 5 recordable outages in addition to several momentary blinks
- City is currently only being fed by one line due to the Rapidan substation being washed away
- Cat-5 now has fresh antifreeze and June 5th Stack testing was successful. It was recommended the city should have a spare Catalyst for the 12-Cylinder Fairbanks, Unit #3. The rough quote for a spare catalyst is \$14,400 plus \$350 door gasket, and \$675 shipping/taxes for a total of \$15,425. Commissioner Richards recommended Allen inquire further into the lead time and what upfront costs would be due on such an expense.

Information items:

- PERA DCP Information Sheet
- Revenue and Expense Report Summary
- Next meeting is Tuesday, August 6th, 2024, at 8 a.m.

Commission Comments and Observations

Superintendent Hutchens brought forward a question from a rural resident wondering if there was an agreement made years ago to hook up to city sewer and water. The city has a forced main running out to poet. Commissioner Ahrenstorff was Mayor at the time the line was installed, and he has no recollection of any such agreement. Grafstrom noted in other cities she has worked for, if they allow someone from outside the city limits to connect, they usually pay a higher rate, like one and a half times the rate, as they do not pay city taxes.

There being no further business the meeting was adjourned at 8:49 am.

Dennis McCoy, Chairman

Angela Grafstrom, Secretary