

**ELK RIVER MUNICIPAL UTILITIES
REGULAR MEETING OF THE UTILITIES COMMISSION
HELD AT THE UPPERTOWN CONFERENCE ROOM**

June 13, 2023

Members Present: Chair John Dietz, Vice Chair Mary Stewart, Commissioners Matt Westgaard, and Nick Zerwas

Members Absent: Commissioner Paul Bell

ERMU Staff Present: Mark Hanson, General Manager
Sara Youngs, Administrations Director
Melissa Karpinski, Finance Manager
Tony Mauren, Governance & Communications Manager
Tom Geiser, Operations Director
Chris Sumstad, Electric Superintendent
Mike Tietz, Technical Services Superintendent
Dave Ninow, Water Superintendent
Chris Kerzman, Engineering Manager
Jenny Foss, Communications & Administrative Coordinator
Parker Theisen, IT/OT Technician
Jessica Hibbard, Customer Service Representative
Theresa Olek, Customer Service Representative
Curt Wark, Lead Lineworker
Jeremy Lindberg, Bore Rig Operator

Others Present: Jared Shepherd, Attorney

1.0 GOVERNANCE

1.1 Call Meeting to Order

The regular meeting of the Utilities Commission was called to order at 3:30 p.m. by Chair Dietz.

1.2 Pledge of Allegiance

The Pledge of Allegiance was recited.

1.3 Consider the Agenda

There were no additions or corrections to the agenda. Mr. Hanson did address new language that will now be included under 3.0 Open Forum informing presenters they must adhere to a three-minute time limit. Moving forward Chair Dietz will remind presenters of this rule and Mr. Mauren will be the official timekeeper.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve the June 13, 2023, agenda. Motion carried 4-0.

1.4 Recognition of Employee Longevity

In September 2021, the Commission approved a Longevity Pay benefit to be paid to qualifying, eligible employees based on their years of service. Lead Lineworker Curt Wark, Customer Service Representative Jessica Hibbard, Customer Service Representative Theresa Olek, Bore Rig Operator Jeremy Lindberg, and Water Superintendent Dave Ninow each earned the 8-year longevity pay benefit.

Chair Dietz presented each employee with their award while the individual's direct supervisor shared a few words as to how they contribute to the success of the organization.

Mr. Sumstad introduced Mr. Wark as one of the company's lead lineworkers who is a hard-working Elk River native that ERMU is happy to have on the crew.

Mr. Wark stated he was happy to be at ERMU and that the time has gone by fast.

Ms. Youngs described Ms. Hibbard as a very thorough customer service representative who is extremely helpful when working with customers. Ms. Youngs also mentioned Ms. Hibbard recently completed the Elk River Area Chamber of Commerce Community Leadership program and received an award for being most likely to ask a good question from her peers.

Ms. Youngs commended Ms. Olek for her thoroughness as a customer service representative and noted she always has a smile on her face when working with customers. Ms. Youngs shared that Ms. Olek is set to retire this July and thanked her for her years of service.

Mr. Sumstad introduced Mr. Lindberg as being part of ERMU's bore crew who operates the directional drill rig. Mr. Sumstad also commented on the important role Mr. Lindberg plays in the shop during the winter months welding, fabricating, and repairing equipment.

Mr. Geiser thanked Mr. Ninow for his eight years of service, noting four years have been as ERMU's water superintendent.

A round of applause was given to all Longevity Pay recipients.

Commissioner Stewart congratulated Ms. Olek on her retirement and stated she was looking forward to many more years of service from the remaining four recipients.

2.0 CONSENT AGENDA (Approved By One Motion)

Moved by Commissioner Westgaard and seconded by Commissioner Zerwas to approve the Consent Agenda as follows:

- 2.1 Check Register – May 2023**
- 2.2 Regular Meeting Minutes – May 9, 2023**
- 2.3 Summary of General Manager Performance Evaluation**
- 2.4 Compensation Report**
- 2.5 Advanced Metering Infrastructure System Master Agreement – Core & Main**

Motion carried 4-0.

3.0 OPEN FORUM

No one appeared for open forum.

4.0 POLICY & COMPLIANCE

4.1 Commission Policy Review – G.1f – Organizational Fundamentals

Mr. Mauren asked the commission if they had any questions, changes, or comments regarding G.1f – Organizational Fundamentals. The commission did not.

Mr. Mauren stated that he would provide a comprehensive summary of the G.1 policy manual section at the July commission meeting.

Commissioner Westgaard stated he appreciated that there will be an overall review of the section before moving on.

4.2 Employee Handbook Annual Updates

Ms. Zachman presented her memo detailing the regular annual update of the ERMU Employee Handbook, noting there were 11 minor changes which were made by legal counsel and reviewed by management.

Commissioner Westgaard asked if there were any additional costs incurred in awarding the Longevity Pay benefit in the month of the recipients anniversary date since it may require a separate check run. Ms. Karpinski replied there were no additional costs.

Chair Dietz asked if staff could look into consolidating legal services by having Campbell Knutson also review the employee handbook in the future as opposed to having it done by a second firm.

Attorney Shepherd stated that Campbell Knutson could provide that service.

Mr. Hanson said he would take this request as an action item and report back.

Moved by Commissioner Zerwas and seconded by Commissioner Stewart to adopt the revised ERMU Employee Handbook. Motion carried 4-0.

5.0 BUSINESS ACTION

5.1 Financial Report – April 2023

Ms. Karpinski stated electric finances are favorable to budget ahead of prior YTD. She added that water finances are favorable to budget but behind prior YTD.

Chair Dietz asked if snow removal is taken care of internally or if there is an outside vendor. Ms. Karpinski explained it is handled internally during regular business hours and coded to the snow removal general ledger account.

Chair Dietz asked a clarifying question about the energy audit expense for the Furniture & Things Community Event Center. Staff explained that ERMU absorbed the cost of the audit and added it to the Donated Labor to the City line.

Commissioner Stewart requested clarification as to why, according to the financial graphs, electric demand and purchasing is trending up but electric load is trending down when it was her understanding they usually trend together. Mr. Tietz stated he would look into this further and report back.

Mr. Tietz presented the review of the Miscellaneous Power Generation expense which falls under the Operating and Maintenance expense category. He explained this expense consists mostly of the water and oil samples taken for testing related to the engines and the labor to operate them. Permitting to run the engines is expensed through this account as well.

Mr. Ninow presented the review of the Chemical Feed expense which falls under the Water Pumping Expense category. He explained this account is used to purchase chemicals for water treatment and filtration.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to receive the April 2023 Financial Report. Motion carried 4-0.

5.2 Field Services Facility Expansion Project Update

Mr. Kerzman reported that after meeting with RJM Construction on the remainder of final scoping items, the contract cost increase looked to be \$160.29. He added that final documentation of this cost increase agreement will be brought to the next month's commission meeting.

Mr. Kerzman stated asphalt work is finishing up this week, irrigation repairs have been made, and grass seed has been planted.

Chair Dietz asked clarifying questions about the asphalt, landscaping, and steps on the west side of the building leading down to the lower level entrance. Staff responded.

5.3 Field Services Facility Open House Update

Ms. Foss presented an open house planning status update for the event occurring Thursday, August 24, 4-8 p.m. She reported the required special event permit application has been approved by the City. The open house planning committee continues to meet monthly to ensure all tasks are completed on time. There is a coordinated effort with staff to ensure all areas on the logistics map are covered. The communications team has a plan in place to market the event through a variety of platforms beginning around mid-July.

Chair Dietz asked if staff would be paid overtime to run the event. Mr. Hanson confirmed that they would.

Ms. Youngs requested closure of the administration offices at 3:30 p.m. on the day of the event so that staff can be ready to go at the field service building at 4 p.m. Customers would be informed of the early closure and the phones will be set to roll over to the after-hours call center. The Commission approved this request.

The Commission requested a personal invitation be sent to former commissioner Al Nadeau and other special guests.

6.0 BUSINESS DISCUSSION

6.1 Staff Updates

Ms. Youngs reported 80 applications were received for the open customer service representative position and four have been scheduled for an interview.

Mr. Mauren explained there will be a quorum notice at the July commission meeting for the Sherburne County Fair Parade on July 22 and the upcoming Minnesota Municipal Power Agency Annual Summer Meeting at Wild Marsh Golf Club in Buffalo, MN on July 25.

Commissioner Stewart asked if the letter received from the National Weather Service was related to the set-up of a new weather station at the field services building. Mr. Ninow explained it was a transfer from the old building to the new building.

6.2 City Council Update

Commissioner Westgaard provided an update from the City Council meetings which have covered commission interviews, a nuisance ordinance update, a tax increment financing extension, review of a gambling license, and city parks restrooms updates.

Chair Dietz asked Mr. Tietz if he could present an introduction to Advanced Metering Infrastructure to the City Council so they have a better understanding of the project. Mr. Tietz offered to give a presentation to the council and answer questions they may have in person.

6.3 Future Planning

Chair Dietz announced the following:

- a. Regular Commission Meeting – July 11, 2023
- b. 2023 Governance Agenda

6.5 Other Business

Mr. Mauren informed the commission they would be receiving the commissioner self-evaluation survey via email at the conclusion of this commission meeting. He added results would be presented at the July commission meeting.

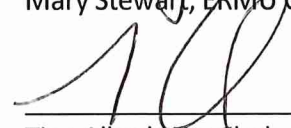
7.0 ADJOURN REGULAR MEETING

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to adjourn the regular meeting of the Elk River Municipal Utilities Commission at 4:06 p.m. Motion carried 4-0.

Minutes prepared by Jenny Foss.



Mary Stewart, ERMUC Commission Vice Chair



Tina Allard, City Clerk