State of Minnesota
County of Sherburne
City of Elk River

OATH OF OFFICE

I, Paul Bell, do solemnly swear to support the Constitution of the United States, the Constitution of the State of Minnesota, will support the City Code and laws of the City of Elk River, and to discharge faithfully the duties of the Utilities Commission of the City of Elk River, Minnesota, to the best of my judgment and ability, so help me God.

_____
Paul Bell

Subscribed and sworn to before me this _____ day of _____, 2023.

_____
Person Administering Oath

Elk River Municipal Utilities

REGULAR MEETING OF THE UTILITIES COMMISSION
March 12, 2024, 3:30 P.M.
Elk River City Hall Uppertown Conference Room

AGENDA

1.0 GOVERNANCE
1.1 Call Meeting to Order
1.2 Pledge of Allegiance
1.3 Oath of Office
1.4 Consider the Agenda
1.5 2024 Election of Officers – Chair and Vice Chair
1.6 2024 Committee Appointments
a. Wage & Benefits Committee
b. Financial Reserves & Investment Committee
c. Information Security Committee
d. Dispute Resolution Committee

2.0 CONSENT (Routine items. No discussion. Approved by one motion.)
2.1 Check Register – February 2024
2.2 Regular Meeting Minutes – February 13, 2024

3.0 OPEN FORUM (Non-agenda items for discussion. No action. Presenters must adhere to a time limit of 3 minutes)

4.0 POLICY & COMPLIANCE (Policy review, policy development, and compliance monitoring.)
4.1 Commission Policy Review – G.2c – Agenda Planning
4.2 City Code Review – Article V, Division 5 – Public Utilities Commission
4.3 Annual Commission Orientation – Policy Manual Update Review

5.0 BUSINESS ACTION (Current business action requests and performance monitoring reports.)
5.1 Financial Report – January 2024

6.0 BUSINESS DISCUSSION (Future business planning, general updates, and informational reports.)
6.1 Staff Update
6.2 City Council Update
6.3 American Public Power Association Legislative Rally Update - Verbal
6.4 Future Planning (Announce the next regular meeting, special meeting, or planned quorum.)
a. Regular Commission Meeting – April 9, 2024
b. 2024 Governance Agenda
6.5 Other Business (Items added during agenda approval.)

7.0 ADJOURN REGULAR MEETING

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 1.5
SUBJECT: 2024 Election of Officers – Chair and Vice Chair	
ACTION REQUESTED: Elect by motion the Commission Chair and Vice Chair	

BACKGROUND/DISCUSSION:
Per ERMU policy, the offices of the ERMU Commission include a Chair, Vice-Chair, and a Secretary. The Commission elects the Chair and Vice-Chair to one-year terms annually during its regular meeting in the month of March. The office of Secretary is held by the General Manager; however, the General Manager may appoint another employee as Secretary, with the concurrence of the Commission. Attached for reference is the Commission Officer Roles, Responsibilities, and Succession Policy.

In 2023 the officers were:

Chair – John Dietz
Vice Chair – Mary Stewart

ATTACHMENTS:
- ERMU Policy – G.2f - Commission Officer Roles, Responsibilities, and Succession

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2f**	Policy Title: **Commission Officer Roles, Responsibilities, and Succession**

PURPOSE:

With this policy, the Commission communicates the functions for which ERMU's officers are accountable and the limits of authority that the Commission delegates to its officers.

POLICY:

The offices of the ERMU Commission include a Chair, a Vice-Chair, and a Secretary. The Commission elects the Chair and Vice Chair to one-year terms each year during its regular meeting in the month of March. An officer's term begins that day and expires without action of the Commission upon resignation or death of the officer or upon failure of the officer to comply with the criteria necessary to hold the office. An officer's term is extended without action of the Commission until a successor is duly elected. Any Commission member is eligible for office at any time; however, a Commission member nominated for the position of Chair will normally have served at least one term as Vice-Chair. The office of Secretary is held by the General Manager; however, the General Manager may appoint another employee as Secretary, with the concurrence of the Commission.

<u>Chair</u>

The Chair is accountable to the Commission for the integrity of the Commission's governance process. The Commission authorizes the Chair to call and schedule special meetings, set its meeting agendas, preside over its meetings and, with limitations, represent the Commission to outside parties. The Commission expects the Chair to set and maintain a friendly and productive tone for all meetings, encouraging full participation of all Commission members, effective deliberation and decision-making, and constructive resolution of disagreements. More specifically:

1. The expected result of the Chair's function is that the Commission behaves in a manner that is consistent with its own policies and in full compliance with those obligations that others, with legitimate authority, impose on it from outside the organization. The Chair, by planning

the Commission's governance and meeting agendas will ensure that the Commission addresses those matters which, according to Commission policy, clearly belong to the Commission to determine, not to the General Manager. The Chair, by presiding over Commission meetings, will ensure that deliberation and decision-making at Commission meetings will be fair, open, and thorough, but also timely, orderly, and to the point.

2. The authority of the Chair is limited to Commission decision-making that falls within areas covered by Commission policies on ***Governance*** and ***Commission-Management Connection***, except where the Commission specifically delegates portions of this same authority to others. The Commission authorizes the Chair to use any reasonable interpretation of the provisions in these policies in the discharge of duties.

    a. The Commission empowers the Chair to call and schedule all special meetings, set all meeting agendas, and preside over all Commission meetings with all of the commonly accepted power of that position (e.g., Ruling, recognizing, handling disagreements and unacceptable behaviors, etc).

    b. The Commission empowers the Chair, exercising reasonable discretion, to control the conduct of all meetings. This includes, but is not limited to, determining the time to be devoted to any particular matter before the Commission, whether any person in attendance may address the Commission on any subject and the order or duration of any presentations or comments permitted, closure of discussion on any matter before the Commission, and expulsion of any person whose conduct is disruptive. The Commission may, by a motion and majority vote of the Commissioners present, overrule the Chair on decisions related to the conduct of meetings.

    c. For purposes of meeting management, the Commission adopts the Rules contained in the current edition of ***Robert's Rules of Order Newly Revised*** for all situations to which they are applicable and in which they are not inconsistent with ERMU's bylaws, policies and any special rules of order that the Commission may adopt.

    d. The Commission authorizes the Chair to execute official documents on its behalf.

    e. The Commission empowers the Chair to organize the work of the Commission, and to assign specific tasks to Commission members and to Committees established by the Commission. Specifically, the Commission empowers the Chair to schedule and coordinate the annual process for performance planning and evaluation of the General Manager.

    f. The Chair has no authority to make decisions about policies created by the Commission within the ***Results*** and ***Delegations to Management*** policy areas. As a result, the Chair has no authority to supervise or direct the General Manager.

    g. The Chair may represent the Commission to outside parties in announcing Commission-stated positions and in stating decisions and interpretations of Commission policy within the areas delegated by the Commission. The Chair will report to the Commission, as

soon as practical, any communications made on behalf of the Commission. Representation of the Commission to outside parties is subject to the following limitations:

i. Communications must be consistent with ERMU's core purpose, core values, and mission, and with the role and authority of the Commission as set forth by Commission policies.

ii. Communications must, as far as practical, represent the collective wisdom or position of the Commission.

iii. Communications must be limited to deliberations already conducted, actions taken, or decisions made. Communications must not be speculative in nature.

h. The Chair may delegate the authority granted in this policy to others (e.g. Vice-Chair), but remains accountable for its use.

Vice-Chair

The principal function of the Commission Vice-Chair is to prepare for the office of Chair and to take over the functions of the Chair when the Chair is unavailable, or otherwise at the request of the Chair.

Secretary

The principal function of the Commission Secretary is to ensure that:

1. Notices of Commission meetings, meeting agendas, and supporting materials are prepared and distributed as required by Policy;

2. Appropriate written records of Commission meetings are prepared and distributed to all Commission members and the General Manager three (3) days prior to the next Commission meeting;

3. Resolutions and other official actions of the Commission are prepared and executed in proper form; and

4. Written records of Commission meetings, including resolutions and other official actions are archived in secure location(s) and disposed of in compliance with applicable laws and regulations.

POLICY HISTORY:

Adopted May 9, 2017

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 1.6
SUBJECT: 2024 Committee Appointments	
ACTION REQUESTED: Appoint by motion the Committee members	

BACKGROUND/DISCUSSION:
Per ERMU policy, the Commission shall appoint Committee members annually following the election of officers during the regular meeting in the month of March. The Commission shall also appoint Committee Chairs at that time. All appointments are for a one-year term.

There are currently four Commission committees: the Wage & Benefits Committee, the Financial Reserves & Investment Committee, the Information Security Committee, and the Dispute Resolution Committee. Committee charters, which outline the purpose, membership, role, authority, and specific duties of each committee, are available for review in item 4.3 – Annual Commissioner Orientation.

After gauging interest in who would like to serve on each committee, the following committee appointments should be made:

Wage & Benefits Committee – 2 appointments; one being Chair
Currently appointed: John Dietz – Chair and Mary Stewart

Financial Reserves & Investment Committee – 2 appointments; one being Chair
Currently appointed: Matt Westgaard – Chair and Nick Zerwas

Information Security Committee – 1 appointment
Currently appointed: Mary Stewart

Dispute Resolution Committee – 2 appointments; one being Chair
Currently appointed: Matt Westgaard – Chair and Paul Bell

CHECK REGISTER

February 2024

APPROVED BY:

_____

Paul Bell

_____

John Dietz

_____

Mary Stewart

_____

Matt Westgaard

_____

Nick Zerwas

Payroll/Labor
Check Register Totals

02/02/2024 To 02/02/2024

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hourly		116,953.87	2,718.75
20	Reg Salary		46,387.30	702.00
3	Overtime		881.86	10.75
4	Double Time		0.00	0.00
5	On-Call/Stand-by		2,915.92	56.00
24	FLSA		72.77	0.00
25	Rest Time		225.70	4.00
10	Bonus Pay		538.46	9.50
18	Commissioner Reimb - Electric		600.00	0.00
104	Commission Stipend		60.00	0.00
VAC	Vacation Pay		7,719.92	147.75
SICK	Sick Pay		2,232.73	50.00
HOL	Holiday Pay		0.00	0.00
5-2	On-Call/Stand-by/OT		740.39	8.50
18A	Commissioner Reimb. - Water		150.00	0.00
104A	Commission Stipend - Water		15.00	0.00
PTOY	Personal Day - Year		2,222.56	48.00
3C	Overtime-Comp Time		1,485.74	22.00
CM3C	Overtime-Comp Time Adjusted		-1,485.74	-22.00
10W	Bonus Pay		0.00	0.00
	Gross Pay Total:		181,716.48	3,755.25
	Total Pays:		181,716.48	3,755.25

Payroll/Labor
Check Register Totals

02/16/2024 To 02/16/2024

Pays		Job	Amount	Hours
Gross Pay				
2	Reg Hourly		115,359.20	2,684.00
20	Reg Salary		46,281.67	698.50
3	Overtime		555.74	7.00
4	Double Time		0.00	0.00
5	On-Call/Stand-by		2,762.48	56.00
24	FLSA		34.86	0.00
25	Rest Time		338.55	6.00
10	Bonus Pay		1,020.24	18.00
VAC	Vacation Pay		8,178.34	154.00
SICK	Sick Pay		5,325.06	116.50
HOL	Holiday Pay		0.00	0.00
5-2	On-Call/Stand-by/OT		328.68	4.00
PTOY	Personal Day - Year		0.00	0.00
3C	Overtime-Comp Time		0.00	0.00
CM3C	Overtime-Comp Time Adjusted		0.00	0.00
10W	Bonus Pay		119.31	3.00
	Gross Pay Total:		180,304.13	3,747.00
	Total Pays:		180,304.13	3,747.00

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 1 - GENERAL FUND

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
2362	2/5/24	WIRE	5631	AMERICAN EXPRESS	ACH FEES - JAN 2024		3.80
					ACH FEES - JAN 2024		0.95
						Total for Check/Tran - 2362:	4.75
2363	2/5/24	WIRE	5655	FIRST DATA	CC FEES - JAN 2024		1,764.82
					CC FEES - JAN 2024		441.21
					CC FEES - JAN 2024		545.18
					CC FEES - JAN 2024		136.30
					CC FEES - JAN 2024		852.46
					CC FEES - JAN 2024		213.12
					CC FEES - JAN 2024		37.78
					CC FEES - JAN 2024		9.44
					CC FEES - JAN 2024		609.84
					CC FEES - JAN 2024		152.46
					CC FEES - JAN 2024		3,486.58
					CC FEES - JAN 2024		871.65
						Total for Check/Tran - 2363:	9,120.84
						Total for Bank Account - 1 : (2)	9,125.59

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
4239	2/6/24	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION		9,900.43
					PERA CONTRIBUTIONS		11,423.55
					PERA EMPLOYEE CONTRIBUTION		1,857.54
					PERA CONTRIBUTIONS		2,143.33
						Total for Check/Tran - 4239:	25,324.85
4240	2/6/24	WIRE	160	HCSP (ELECTRONIC)	HCSP EMPLOYEE CONTRIBUTIONS		2,057.97
					HCSP EMPLOYEE CONTRIBUTIONS		281.22
						Total for Check/Tran - 4240:	2,339.19
4241	2/6/24	WIRE	161	MNDCP (ELECTRONIC)	MNDCP EE MANAGER CONTRIBUTIONS		290.17
					MNDCP EMPLOYEE CONTRIBUTIONS		3,657.89
					MNDCP EMPLOYER CONTRIBUTION		4,626.37
					MNDCP EMPLOYER MGR CONTRIBUTION		485.39
					MNDCP EE ROTH CONTRIBUTIONS		968.48
					MNDCP EE ROTH MGR CONTRIBUTIONS		195.22
					MNDCP EE MANAGER CONTRIBUTIONS		41.63
					MNDCP EMPLOYEE CONTRIBUTIONS		278.39
					MNDCP EMPLOYER CONTRIBUTION		662.85
					MNDCP EMPLOYER MGR CONTRIBUTION		67.47
					MNDCP EE ROTH CONTRIBUTIONS		384.46
					MNDCP EE ROTH MGR CONTRIBUTIONS		25.84
						Total for Check/Tran - 4241:	11,684.16
4242	2/6/24	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION		2,474.53
					W&A MANAGER CONTRIBUTION		475.18
					WENZEL EMPLOYEE CONTRIBUTIONS		1,597.87
					WENZEL MANAGER CONTRIBUTIONS		245.45
					DEF COMP ROTH CONTRIBUTIONS W&A		876.66
					WENZEL EE ROTH MGR CONTRIBUTIONS		229.73
					W&A EMPLOYER CONTRIBUTION		268.30
					W&A MANAGER CONTRIBUTION		44.62
					WENZEL EMPLOYEE CONTRIBUTIONS		74.17

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
					WENZEL MANAGER CONTRIBUTIONS	20.09
					DEF COMP ROTH CONTRIBUTIONS W&A	194.13
					WENZEL EE ROTH MGR CONTRIBUTIONS	24.53
					Total for Check/Tran - 4242:	6,525.26
4243	2/6/24	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT/LEVY	562.52
4244	2/6/24	WIRE	166	ONLINE UTILITY EXCHANGE (ELECTR	UTILITY EXCHANGE REPORT JAN 2024	233.52
					UTILITY EXCHANGE REPORT JAN 2024	58.38
					Total for Check/Tran - 4244:	291.90
4245	2/7/24	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA	14,513.82
					PAYROLL TAXES - FEDERAL & FICA	21,908.62
					PAYROLL TAXES - FEDERAL & FICA	2,299.80
					PAYROLL TAXES - FEDERAL & FICA	4,125.36
					Total for Check/Tran - 4245:	42,847.60
4246	2/8/24	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE	6,561.44
					PAYROLL TAXES - STATE	1,177.57
					Total for Check/Tran - 4246:	7,739.01
4247	2/1/24	WIRE	7928	US BANK - BOND	ELEC REV BOND SERIES 2016A - PRINC & INT	495,000.00
					ELEC REV BOND SERIES 2016A - PRINC & INT	96,662.50
					Total for Check/Tran - 4247:	591,662.50
4248	2/1/24	WIRE	7928	US BANK - BOND	WATER BOND SERIES 2021C INTEREST	20,800.00
4249	2/1/24	WIRE	7928	US BANK - BOND	ELEC REV BOND SERIES 2021B INTEREST	156,737.50
4250	2/1/24	WIRE	7928	US BANK - BOND	ELEC REV BONDS SERIES 2018A INTEREST	175,003.13
4253	2/9/24	WIRE	7463	FURTHER	HSA EMPLOYEE CONTRIBUTION	3,134.93
					HSA EMPLOYEE CONTRIBUTION	433.16
					Total for Check/Tran - 4253:	3,568.09
4257	2/15/24	WIRE	9654	CARDMEMBER SERVICE	FIRST NATIONAL BANK VISA	9,144.02
					FIRST NATIONAL BANK VISA	1,309.09

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 4257:	10,453.11
4258	2/20/24	WIRE	153	PERA (ELECTRONIC)	PERA EMPLOYEE CONTRIBUTION		9,734.12
					PERA CONTRIBUTIONS		11,231.68
					PERA EMPLOYEE CONTRIBUTION		1,985.65
					PERA CONTRIBUTIONS		2,291.15
						Total for Check/Tran - 4258:	25,242.60
4259	2/20/24	WIRE	160	HCSP (ELECTRONIC)	HCSP EMPLOYEE CONTRIBUTIONS		2,003.25
					HCSP EMPLOYEE CONTRIBUTIONS		301.20
						Total for Check/Tran - 4259:	2,304.45
4260	2/20/24	WIRE	161	MNDCP (ELECTRONIC)	MNDCP EE MANAGER CONTRIBUTIONS		290.18
					MNDCP EMPLOYEE CONTRIBUTIONS		3,618.85
					MNDCP EMPLOYER CONTRIBUTION		4,587.34
					MNDCP EMPLOYER MGR CONTRIBUTION		489.90
					MNDCP EE ROTH CONTRIBUTIONS		968.49
					MNDCP EE ROTH MGR CONTRIBUTIONS		199.72
					MNDCP EE MANAGER CONTRIBUTIONS		41.62
					MNDCP EMPLOYEE CONTRIBUTIONS		317.43
					MNDCP EMPLOYER CONTRIBUTION		701.88
					MNDCP EMPLOYER MGR CONTRIBUTION		68.55
					MNDCP EE ROTH CONTRIBUTIONS		384.45
					MNDCP EE ROTH MGR CONTRIBUTIONS		26.93
						Total for Check/Tran - 4260:	11,695.34
4261	2/20/24	WIRE	285	JOHN HANCOCK	W&A EMPLOYER CONTRIBUTION		2,353.61
					W&A MANAGER CONTRIBUTION		468.50
					WENZEL EMPLOYEE CONTRIBUTIONS		1,607.73
					WENZEL MANAGER CONTRIBUTIONS		238.77
					DEF COMP ROTH CONTRIBUTIONS W&A		876.63
					WENZEL EE ROTH MGR CONTRIBUTIONS		229.73
					W&A EMPLOYER CONTRIBUTION		273.19

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					W&A MANAGER CONTRIBUTION		51.30
					WENZEL EMPLOYEE CONTRIBUTIONS		79.03
					WENZEL MANAGER CONTRIBUTIONS		26.77
					DEF COMP ROTH CONTRIBUTIONS W&A		194.16
					WENZEL EE ROTH MGR CONTRIBUTIONS		24.53
						Total for Check/Tran - 4261:	6,423.95
4262	2/20/24	WIRE	598	MINNESOTA CHILD SUPPORT PAYMEN	CHILD SUPPORT/LEVY		562.52
4263	2/21/24	WIRE	152	IRS - USA TAX PMT (ELECTRONIC)	PAYROLL TAXES - FEDERAL & FICA		14,139.80
					PAYROLL TAXES - FEDERAL & FICA		21,435.28
					PAYROLL TAXES - FEDERAL & FICA		2,452.73
					PAYROLL TAXES - FEDERAL & FICA		4,384.20
						Total for Check/Tran - 4263:	42,412.01
4264	2/21/24	WIRE	7463	FURTHER	FSA CLAIM REIMBURSEMENTS - 168		192.32
4265	2/21/24	WIRE	7463	FURTHER	HSA EMPLOYEE CONTRIBUTION		3,112.12
					HSA EMPLOYEE CONTRIBUTION		455.97
						Total for Check/Tran - 4265:	3,568.09
4266	2/21/24	WIRE	7463	FURTHER	ADMINISTRATIVE FEE INVOICE - FEB 2-24		134.00
					ADMINISTRATIVE FEE INVOICE - FEB 2-24		25.50
						Total for Check/Tran - 4266:	159.50
4268	2/22/24	WIRE	154	MINNESOTA REVENUE (ELECTRONIC)	PAYROLL TAXES - STATE		6,429.26
					PAYROLL TAXES - STATE		1,257.57
						Total for Check/Tran - 4268:	7,686.83
4269	2/21/24	WIRE	174	MINNESOTA REVENUE SALES TX (ELE	SALES AND USE TAX - JAN 2024		178,281.15
					SALES AND USE TAX - JAN 2024		-1.30
					SALES AND USE TAX - JAN 2024		5,364.15
						Total for Check/Tran - 4269:	183,644.00
4271	2/28/24	WIRE	7463	FURTHER	FSA CLAIM REIMBURSEMENTS - 172		185.95
					FSA CLAIM REIMBURSEMENTS - 172		46.49

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 4271:	232.44
19245	2/2/24	DD	496	WILLIAM COURTRIGHT	GTL ADJUST - FICA REFUND		22.96
19246	2/8/24	DD	375	VIKING ELECTRIC	Misc Distribution Exp		19.36
					WELL #7 VFD		-19.36
						Total for Check/Tran - 19246:	0.00
19247	2/8/24	DD	606	THOMAS GEISER	APPA E & O CONF & RODEO AIRFARE - 32		257.10
19340	2/15/24	DD	6107	STUART C. IRBY CO.	GLOVES & TESTING		-55.07
					GLOVES & TESTING		1,739.97
					FUSE PAD		-1,684.90
						Total for Check/Tran - 19340:	0.00
19341	2/22/24	DD	679	SCHMIDT UTILITY ADVISORS LLC	AMI - TASK 5 & 6		2,800.00
					AMI - TASK 5 & 6		1,200.00
						Total for Check/Tran - 19341:	4,000.00
19393	2/29/24	DD	3376	JEFF MURRAY	Schools and Meetings		28.20
87206	2/2/24	CHK	11	CITY OF ELK RIVER	FRANCHISE FEE CREDIT - DEC 2023		-675.00
					2023 QTR 4 FRANCHISE FEE		240,888.12
					2023 QTR 4 FRANCHISE FEE MTRED		2,025.00
					2023 QTR 4 FRANCHISE FEE WO		-254.72
						Total for Check/Tran - 87206:	241,983.40
87207	2/2/24	CHK	9997	JULIA AESOPH	Credit Balance Refund		360.98
87208	2/2/24	CHK	218	AIRGAS USA LLC	COMPRESSED GAS		116.90
87209	2/2/24	CHK	6	BEAUDRY OIL COMPANY	UNLEADED FUEL		2,581.26
					DIESEL		2,286.89
						Total for Check/Tran - 87209:	4,868.15
87210	2/2/24	CHK	9997	ASHLEY BETTERS	Credit Balance Refund		129.84
87211	2/2/24	CHK	5013	CARR'S TREE SERVICE, INC	TREE TRIMMING - 1/1/2024		8,233.63

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87212	2/2/24	CHK	9997	DONALD CARTER	Credit Balance Refund		31.37
87213	2/2/24	CHK	3982	CENTERPOINT ENERGY	Natural Gas		3,322.85
					Natural Gas		803.68
						Total for Check/Tran - 87213:	4,126.53
87214	2/2/24	CHK	42	CENTURYLINK	PHONE - WELLS		60.12
					PHONE - WELLS		66.14
						Total for Check/Tran - 87214:	126.26
87215	2/2/24	CHK	549	CHARTER COMMUNICATIONS	OFFICE TELEPHONE		181.23
					OFFICE TELEPHONE		45.31
						Total for Check/Tran - 87215:	226.54
87216	2/2/24	CHK	28	CINTAS	MATS & TOWELS		308.37
					MATS & TOWELS		44.06
					MATS & TOWELS		308.37
					MATS & TOWELS		44.06
						Total for Check/Tran - 87216:	704.86
87217	2/2/24	CHK	11	CITY OF ELK RIVER	2023 CONTINUING DISCLOSURE		1,900.00
					2023 CONTINUING DISCLOSURE		381.25
					FUEL USAGE - DEC 2023		2,265.37
					FUEL USAGE - DEC 2023		512.40
					PARTS & LABOR FOR UNIT #10		258.36
					PARTS & LABOR FOR UNIT #24		-1.88
					PARTS & LABOR FOR UNIT #24		65.73
					PARTS & LABOR FOR UNIT #36		-1.78
					PARTS & LABOR FOR UNIT #36		62.44
					PARTS & LABOR FOR UNIT #36		-0.10
					PARTS & LABOR FOR UNIT #36		3.29
					LABOR FOR UNIT #13		40.00
						Total for Check/Tran - 87217:	5,485.08

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87218	2/2/24	CHK	54	CORE & MAIN LP	Electric Meter		173,600.00
87219	2/2/24	CHK	9999	RYAN EASON	Hydrant Rental Deposit Refund		862.77
87220	2/2/24	CHK	3667	ELFERING & ASSOCIATES	PROFESSIONAL SERVICE - DEC 2023		210.00
					PROFESSIONAL SERVICES - DEC 2023		70.00
					PROFESSIONAL SERVICES - DEC 2023		700.00
					PROFESSIONAL SERVICES - DEC 2023		980.00
						Total for Check/Tran - 87220:	1,960.00
87221	2/2/24	CHK	9192	ELK RIVER CUB FOODS	SAFETY TRAINING SNACKS		60.85
					SAFETY TRAINING SNACKS		15.21
						Total for Check/Tran - 87221:	76.06
87222	2/2/24	CHK	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 2 - ACCT 41038 - DEC 2023		176.67
					CYCLE 2 - ACCT 41038 - DEC 2023		9.30
					CYCLE 2 - INV GRP 413 - DEC 2023		50.00
					CYCLE 2 - INV GRP 413 - DEC 2023		295.39
					CYCLE 2 - ACCT 436 - DEC 2023		2,827.47
						Total for Check/Tran - 87222:	3,358.83
87223	2/2/24	CHK	8247	FERGUSON WATERWORKS #2516	Valve		172.89
87224	2/2/24	CHK	9997	FREEPORT ELK RIVER LLC	Credit Balance Refund		1,227.83
87225	2/2/24	CHK	9997	FREEPORT ELK RIVER LLC	Credit Balance Refund		161.66
87226	2/2/24	CHK	9997	FREEPORT ELK RIVER LLC	Credit Balance Refund		85.11
87227	2/2/24	CHK	9997	FREEPORT ELK RIVER LLC	Credit Balance Refund		162.74
87228	2/2/24	CHK	9997	FREEPORT ELK RIVER LLC	Credit Balance Refund		188.35
87229	2/2/24	CHK	8949	FS3 INC.	Measuring Wheel		286.04
87230	2/2/24	CHK	404	GARAGE DOOR STORE	GARAGE DOOR REPAIR		3,706.50
					GARAGE DOOR REPAIR		529.50

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 87230:	4,236.00
87231	2/2/24	CHK	7492	GENERAL REPAIR SERVICE	Valve Kit		1,309.91
87232	2/2/24	CHK	689	GLOBAL INDUSTRIAL	SELF-LAMINATING TAGS		208.45
87233	2/2/24	CHK	9997	LADONNA HENSEL	Credit Balance Refund		88.16
87234	2/2/24	CHK	8083	JT SERVICES OF MINNESOTA	Mtce of Street Lighting		148.87
					LED STREET LIGHT		8,705.51
						Total for Check/Tran - 87234:	8,854.38
87235	2/2/24	CHK	9997	LANDMARK INVESTMENT	Credit Balance Refund		818.96
87236	2/2/24	CHK	9997	LEWIS CUSTOM HOMES, INC	Credit Balance Refund		216.84
87237	2/2/24	CHK	9997	LEWIS CUSTOM HOMES, INC	Credit Balance Refund		192.52
87238	2/2/24	CHK	417	LOCATORS & SUPPLIES INC.	AERIAL BUCKET - UNIT #8		98.65
87239	2/2/24	CHK	9997	ANN MCCORMICK	Credit Balance Refund		231.31
87240	2/2/24	CHK	145	MENARDS	STAPLES		68.75
					MISC PARTS & SUPPLIES		68.88
					MISC PARTS & SUPPLIES		6.21
					ZEP CLEANER		20.15
					REBATE		-28.27
					REBATE		-10.24
						Total for Check/Tran - 87240:	125.48
87241	2/2/24	CHK	520	MICHELS UTILITY SERVICES, INC	TRENCHING - COVE		16,698.38
87242	2/2/24	CHK	8454	MINNESOTA DEPT OF LABOR & INDUS	ELEVATOR ANNUAL OPERATOR		87.50
					ELEVATOR ANNUAL OPERATOR		12.50
						Total for Check/Tran - 87242:	100.00
87243	2/2/24	CHK	252	MINNESOTA DNR - OMB	ENGINE COOLING WATER DISCHARGE - 2023		140.00

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87244	2/2/24	CHK	39	MMUA	SECURITY THREATS WKSP - 172 178		567.00
					SECURITY THREATS WKSP - 172 178		63.00
						Total for Check/Tran - 87244:	630.00
87245	2/2/24	CHK	120	NAPA AUTO PARTS	THREADLOCKER		24.38
					PARTS FOR UNIT #62 & DRILL		197.12
					MISC PARTS & SUPPLIES		204.60
					PARTS FOR UNIT #56		26.33
					PARTS FOR UNIT #54		89.80
						Total for Check/Tran - 87245:	542.23
87246	2/2/24	CHK	475	PERFORMANCE POOL AND SPA	CHLORINE		499.98
87247	2/2/24	CHK	811	PRIME ADVERTISING & DESIGN, INC.	Marketing		1,440.00
87248	2/2/24	CHK	9997	ALEC SANDQUIST	Credit Balance Refund		74.69
87249	2/2/24	CHK	159	SHORT ELLIOTT HENDRICKSON INC	PROFESSIONAL SERVICES - DEC 2023		4,334.67
87250	2/2/24	CHK	6107	STUART C. IRBY CO.	Glove Protectors		-216.78
					ELBOWS		6,510.00
					BUSHIN INSERTS		2,814.00
					WIRE		4,499.50
						Total for Check/Tran - 87250:	13,606.72
87251	2/2/24	CHK	488	SUMMIT FIRE PROTECTION CO	SPRINKLER INSPECTION - WELL #7		505.00
87252	2/2/24	CHK	3360	THE UPS STORE 5093	SHIPPING		12.67
					SHIPPING - TOOL RETURN		14.35
						Total for Check/Tran - 87252:	27.02
87253	2/2/24	CHK	5616	TKDA ASSOCIATES	PROFESSIONAL SERVICES - DEC 2023		1,177.34
					PROFESSIONAL SERVICES - DEC 2023		504.57
						Total for Check/Tran - 87253:	1,681.91
87254	2/2/24	CHK	209	ULINE	PALLET RACK DIVIDERS		395.92

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87255	2/2/24	CHK	5536	VESSCO, INC	Labor		1,400.00
87256	2/2/24	CHK	55	WESCO RECEIVABLES CORP.	CABLE		93.70
87257	2/2/24	CHK	9997	PRECIOUS WILSON	Credit Balance Refund		21.15
87258	2/2/24	CHK	9997	XTRA MILE CONSTRUCTION	Credit Balance Refund		6.70
87259	2/8/24	CHK	4531	AT & T MOBILITY	CELL PHONES & iPAD BILLING		29.18
					CELL PHONES & iPAD BILLING		2,542.03
					CELL PHONES & iPAD BILLING		12.50
					CELL PHONES & iPAD BILLING		554.24
						Total for Check/Tran - 87259:	3,137.95
87260	2/8/24	CHK	550	BAKER TILLY USA, LLP	COMPENSATION STUDY - JAN 2024		2,033.00
					COMPENSATION STUDY - JAN 2024		508.25
						Total for Check/Tran - 87260:	2,541.25
87261	2/8/24	CHK	5013	CARR'S TREE SERVICE, INC	TREE TRIMMING - 1/8/24		7,788.70
87262	2/8/24	CHK	76	CONNEXUS ENERGY	2023 LOR - YR 4 AREA 7&8		35,645.77
					2023 LOR - YR 5 AREA 5&6		106,091.06
					2023 LOR - YR 6 AREA 3&4		126,841.83
					2023 LOR - YR 7 AREA 2		161,334.69
					2023 LOR - YR 8 AREA 1		503,245.52
						Total for Check/Tran - 87262:	933,158.87
87263	2/8/24	CHK	76	CONNEXUS ENERGY	CTY RD 12 INTERCONNECTION CHARGE		2,416.49
87264	2/8/24	CHK	54	CORE & MAIN LP	Water Meters		157,440.00
87265	2/8/24	CHK	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 3 - INV GRP 414 - DEC 2023		100.00
					CYCLE 3 - INV GRP 414 - DEC 2023		582.62
					CYCLE 3 - INV GRP 395 - DEC 2023		8,626.72
						Total for Check/Tran - 87265:	9,309.34
87266	2/8/24	CHK	24	ELK RIVER PRINTING & VENTURE PRO	TREE TRIMMING DOOR HANGERS		251.78

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87267	2/8/24	CHK	64	GRANITE ELECTRONICS INC	CALL SIGN RENEWAL - 1/9/2034		120.00
					CALL SIGN RENEWAL - 1/9/2034		30.00
						Total for Check/Tran - 87267:	150.00
87268	2/8/24	CHK	9997	BRUCE GRUBER	Credit Balance Refund		51.64
87269	2/8/24	CHK	809	HAWKINS, INC.	CHLORINE CYLINDER RENTAL		190.00
					Water Chemicals		1,680.46
					Water Chemicals		368.24
						Total for Check/Tran - 87269:	2,238.70
87270	2/8/24	CHK	631	HEALTH PARTNERS	MEDICAL - FEB 2024		326.25
					MEDICAL - FEB 2024		2,191.68
					DENTAL EE INSURANCE - MAR 2024		827.90
					DENTAL ER INSURANCE - MAR 2024		2,254.87
					MEDICAL EE INSURANCE - MAR 2024		9,763.70
					MEDICAL ER INSURANCE - MAR 2024		53,342.80
					DENTAL EE INSURANCE - MAR 2024		106.80
					DENTAL ER INSURANCE - MAR 2024		549.24
					MEDICAL EE INSURANCE - MAR 2024		2,216.30
					MEDICAL ER INSURANCE - MAR 2024		13,187.93
						Total for Check/Tran - 87270:	84,767.47
87271	2/8/24	CHK	5310	HOTSY MINNESOTA	CAR WASH SUPPLIES		312.96
					CAR WASH SUPPLIES		44.71
						Total for Check/Tran - 87271:	357.67
87272	2/8/24	CHK	5341	HUBBARD ELECTRIC	METER REPLACEMENT - 10233 PARRISH		704.35
					METER REPLACEMENT - 10233 PARRISH		-25.68
					METER REPLACEMENT - 10251 PARRISH		1,021.67
					METER REPLACEMENT - 10251 PARRISH		-41.32
					METER REPLACEMENT - 10273 PARRISH		646.84
					METER REPLACEMENT - 10273 PARRISH		-25.24
					METER REPLACEMENT - 10339 PARRISH		933.43

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					METER REPLACEMENT - 10339 PARRISH		-42.40
					METER REPLACEMENT 10175 PARRISH		701.33
					METER REPLACEMENT 10175 PARRISH		-25.47
						Total for Check/Tran - 87272:	3,847.51
87273	2/8/24	CHK	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES		92.65
					OFFICE SUPPLIES		22.61
					OFFICE SUPPLIES		41.77
					OFFICE SUPPLIES		10.44
						Total for Check/Tran - 87273:	167.47
87274	2/8/24	CHK	9997	BRANDY LINDELL	Credit Balance Refund		72.24
87275	2/8/24	CHK	145	MENARDS	PARTS FOR UNIT #68		-2.11
					PARTS FOR UNIT #68		29.07
					DISTILLED WATER		-0.29
					DISTILLED WATER		3.95
					MISC PARTS & SUPPLIES		12.98
						Total for Check/Tran - 87275:	43.60
87276	2/8/24	CHK	349	MINNESOTA EQUIPMENT INC	PARTS FOR UNIT #68		144.29
87277	2/8/24	CHK	1001	MINNESOTA MUNICIPAL POWER AGEN	Purchased Power		1,709,921.62
					Purchased Power		509,075.64
						Total for Check/Tran - 87277:	2,218,997.26
87278	2/8/24	CHK	9997	KRISTIN NORBY	Credit Balance Refund		322.29
87279	2/8/24	CHK	696	NORTH VALLEY, INC	CONCRETE WORK - 11922 191ST		1,443.94
87280	2/8/24	CHK	43	NORTHERN TOOL	RACHET COMBO		27.18
87281	2/8/24	CHK	6149	OLD REPUBLIC SURETY GROUP	ELECTRICAL CONTRACTOR BOND 2024-2026		219.00
87282	2/8/24	CHK	5056	PLAISTED COMPANIES, INC.	FILL SAND		38.60
87283	2/8/24	CHK	3218	RDO EQUIPMENT CO.	PARTS FOR UNIT #54		-38.74

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					PARTS FOR UNIT #54		530.64
					PARTS FOR UNIT #54		-38.74
					PARTS FOR UNIT #54		530.64
						Total for Check/Tran - 87283:	983.80
87284	2/8/24	CHK	615	REVOLT ELECTRICAL SERVICES, INC.	METER TESTING		4,995.00
87285	2/8/24	CHK	9997	SFR AQUISITIONS 2, LLC.	Credit Balance Refund		198.72
87286	2/8/24	CHK	2560	THE SHERWIN-WILLIAMS CO.	PAINT		407.12
					Water Chemicals		162.85
						Total for Check/Tran - 87286:	569.97
87287	2/8/24	CHK	3360	THE UPS STORE 5093	SHIPPING - DEFECTIVE FLANGE		20.02
87288	2/8/24	CHK	694	TWIN STAR EQUIPMENT & MFG	Spreader		3,167.29
					Spreader		452.46
						Total for Check/Tran - 87288:	3,619.75
87289	2/8/24	CHK	55	WESCO RECEIVABLES CORP.	CRIMP		1,414.80
					LOAD BREAK		2,369.55
					Mtce of OH Primary		111.11
					Mtce of URD Primary		1,523.20
						Total for Check/Tran - 87289:	5,418.66
87290	2/13/24	CHK	706	MOORHEAD PUBLIC SERVICE	Transformer		60,858.46
87291	2/15/24	CHK	938	B & E RECYCLING STATION, INC	DISPOSAL OF DEHUMIDIFIER		20.00
87292	2/15/24	CHK	2920	BATTERIES PLUS BULBS	PARTS FOR UNIT #22		175.10
87293	2/15/24	CHK	5224	BLUE CROSS BLUE SHIELD OF MINNES	VISION INSURANCE - MARCH 2024		267.44
					VISION INSURANCE - MARCH 2024		65.16
						Total for Check/Tran - 87293:	332.60
87294	2/15/24	CHK	9	BORDER STATES ELECTRIC SUPPLY	SUPPLYTRAX ANNUAL SUPPORT		889.98
					FAULT TRACKER		55,369.08

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					PADDLE		335.02
					PADDLE		-24.45
					Cabinet		60,349.64
					VT's and CT's		63,144.75
					FUSE		739.90
						Total for Check/Tran - 87294:	180,803.92
87295	2/15/24	CHK	54	CORE & MAIN LP	Electric Meters		2,244.00
					METER COUPLINGS		788.18
					Water Meters		46,320.00
					Water Meters		2,640.00
					Water Meters		3,120.00
					3" - 7" LL CORDONEL WATER METER		12,950.00
						Total for Check/Tran - 87295:	68,062.18
87296	2/15/24	CHK	36	CROW RIVER FARM EQUIP CO	SNOW PUSHER - UNIT #56		50.42
					TRENCHER - UNIT #54		28.97
						Total for Check/Tran - 87296:	79.39
87297	2/15/24	CHK	493	ELK RIVER GAS, INC	KEROSENE - UNIT #61		25.61
87298	2/15/24	CHK	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 4 - INV GRP 396 - JAN 2024		225.12
					CYCLE 4 - INV GRP 415 - JAN 2024		150.00
					CYCLE 4 - INV GRP 415 - JAN 2024		1,438.42
						Total for Check/Tran - 87298:	1,813.54
87299	2/15/24	CHK	122	ELK RIVER WINLECTRIC	LEVEL		-1.41
					LEVEL		19.29
					MISC PARTS & SUPPLIES		292.98
					MISC PARTS & SUPPLIES		5.56
					WELL #3 PARTS		-7.66
					Misc Distribution Exp		104.80
					MISC PARTS & SUPPLIES		20.81
					MISC PARTS & SUPPLIES		-1.16

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					MISC PARTS & SUPPLIES		15.93
					MISC PARTS & SUPPLIES		37.90
					WELL #3 PARTS		-0.42
					WELL #3 PARTS		5.60
					WIRE		11,213.32
					WIRE		-818.58
					WIRE		13,399.22
					WIRE		-978.17
					COMPRESSION NUT		7.60
					Mtce of OH Primary		59.80
					LED LAMP		517.80
					LED LAMP		-37.80
					WIRE		39,055.05
					FUSE BLOCK		-3.78
					FUSE BLOCK		51.74
					CONDUIT		933.33
					LED DRIVER - ROOM 103		-2.89
					Misc Distribution Exp		39.63
					LED DRIVER - ROOM 103		-0.42
					Misc Distribution Exp		5.67
					Misc Distribution Exp		12.85
						Total for Check/Tran - 87299:	63,946.59
87300	2/15/24	CHK	572	EVERSPRING INN AND SUITES-MARSH	TRANSFORMER SCHOOL HOTEL - 177		298.71
					TRANSFORMER SCHOOL HOTEL - 167		298.71
						Total for Check/Tran - 87300:	597.42
87301	2/15/24	CHK	80	GRAINGER	PPE		-12.13
					PPE		166.18
						Total for Check/Tran - 87301:	154.05
87302	2/15/24	CHK	5118	GRAND RENTAL STATION	CHAIN FOR CHAINSAW		36.66
					CHAIN FOR CHAINSAW - UNIT #21		36.67

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 87302:	73.33
87303	2/15/24	CHK	846	HACH COMPANY	Multiparameter		2,286.00
					SAMPLING SUPPLIES		-43.73
					SAMPLING SUPPLIES		614.90
						Total for Check/Tran - 87303:	2,857.17
87304	2/15/24	CHK	9997	MYRON JOHNSON	Credit Balance Refund		72.20
87305	2/15/24	CHK	8083	JT SERVICES OF MINNESOTA	LED PHOTO CELL		1,294.50
87306	2/15/24	CHK	5377	KODIAK POWER SYSTEMS, INC	WELL #6 SERVICE		1,026.50
87307	2/15/24	CHK	9997	LENNAR HOMES	Credit Balance Refund		135.13
87308	2/15/24	CHK	9997	LENNAR HOMES	Credit Balance Refund		67.03
87309	2/15/24	CHK	9997	LENNAR HOMES	Credit Balance Refund		105.90
87310	2/15/24	CHK	9997	LENNAR HOMES	Credit Balance Refund		107.84
87311	2/15/24	CHK	8605	MARCO TECHNOLOGIES, LLC	Cable		-18.62
					Cable		-2.65
					PRINTER MTC - 2/1 TO 3/1/24		308.09
					PRINTER MTC - 2/1 TO 3/1/24		77.02
						Total for Check/Tran - 87311:	363.84
87312	2/15/24	CHK	145	MENARDS	BOLT		-0.11
					BOLT		1.39
					MISC PARTS & SUPPLIES - WELL #3		-2.90
					MISC PARTS & SUPPLIES - WELL #3		39.86
					SNAP COUPLER		8.29
					SNAP COUPLER		-0.61
					FIRST AID KIT		-3.15
					FIRST AID KIT		43.11
					MISC PARTS - WELL #2		-23.23

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					SOFTENER SALT		406.65
					SOFTENER SALT		58.09
					MISC PARTS & SUPPLIES		-32.74
					MISC PARTS & SUPPLIES		-10.17
						Total for Check/Tran - 87312:	484.48
87313	2/15/24	CHK	9273	METERING & TECHNOLOGY SOLUTION	METER		737.29
87314	2/15/24	CHK	330	METRO SALES, INC	COPIER MTC CONTRACT -12/21/23 to 1/20/24		166.67
					COPIER MTC CONTRACT -12/21/23 to 1/20/24		41.67
						Total for Check/Tran - 87314:	208.34
87315	2/15/24	CHK	704	MINNESOTA BACKFLOW PROS LLC	BACKFLOW CALIBRATION		158.00
87316	2/15/24	CHK	119	MINNESOTA COMPUTER SYSTEMS INC	COPIER MTC CONTRACT - 1/12 to 2/11/24		155.36
					COPIER MTC CONTRACT - 1/12 to 2/11/24		38.84
						Total for Check/Tran - 87316:	194.20
87317	2/15/24	CHK	7293	MINNESOTA DEPT OF COMMERCE	EAP REFUND FORM - JOHNSON-CURTIS		768.27
87318	2/15/24	CHK	252	MINNESOTA DNR - OMB	2023 WATER USE FEE		25,910.36
87319	2/15/24	CHK	40	MINNESOTA RURAL WATER ASSOC	TECHNICAL CONF - 136		275.00
87320	2/15/24	CHK	39	MMUA	ELEC SKILLS FOR WATER - 162 191		920.00
					SUBSTATION SCHOOL - 142 190		1,070.00
						Total for Check/Tran - 87320:	1,990.00
87321	2/15/24	CHK	573	NCPERS MINNESOTA	EXTRA LIFE INSURANCE - MARCH 2024		240.80
					EXTRA LIFE INSURANCE - MARCH 2024		15.20
						Total for Check/Tran - 87321:	256.00
87322	2/15/24	CHK	9997	JUSTIN NELSON	Credit Balance Refund		55.10
87323	2/15/24	CHK	696	NORTH VALLEY, INC	CONCRETE WORK - 18966 LOWELL		306.00
87324	2/15/24	CHK	43	NORTHERN TOOL	PARTS FOR UNIT #23		-0.95
					PARTS FOR UNIT #23		12.96

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					PARTS FOR UNIT #23		13.06
						Total for Check/Tran - 87324:	25.07
87325	2/15/24	CHK	3769	O'REILLY AUTOMOTIVE STORES, INC	MISC PARTS & SUPPLIES		-1.13
					MISC PARTS & SUPPLIES		15.50
						Total for Check/Tran - 87325:	14.37
87326	2/15/24	CHK	811	PRIME ADVERTISING & DESIGN, INC.	MONTHLY HOSTING OF WEBSITE		40.00
					MONTHLY HOSTING OF WEBSITE		40.00
					MONTHLY HOSTING OF WEBSITE		20.00
						Total for Check/Tran - 87326:	100.00
87327	2/15/24	CHK	630	PRINCETON RENTAL INC	STIHL DRIVER CHAINS		86.95
					STIHL DRIVER CHAINS - UNIT #4 & #8		74.07
						Total for Check/Tran - 87327:	161.02
87328	2/15/24	CHK	3218	RDO EQUIPMENT CO.	KNIVES		-5.12
					KNIVES		65.12
						Total for Check/Tran - 87328:	60.00
87329	2/15/24	CHK	574	REPUBLIC SERVICES, INC	TRASH & RECYCLING - JAN 2024		1,388.79
					TRASH & RECYCLING - JAN 2024		198.40
					TRASH & RECYCLING - JAN 2024		276.45
					TRASH & RECYCLING - JAN 2024		40.03
					TRASH & RECYCLING - JAN 2024		10.01
						Total for Check/Tran - 87329:	1,913.68
87330	2/15/24	CHK	3360	THE UPS STORE 5093	SHIPPING - CHIPPER BLADES		16.48
87331	2/22/24	CHK	328	1ST AYD CORPORATION	Gloves		746.03
					Gloves		186.50
						Total for Check/Tran - 87331:	932.53
87332	2/22/24	CHK	2512	AMARIL UNIFORM COMPANY	Employee Clothing - 142		141.54
87333	2/22/24	CHK	8215	BROTHERS FIRE & SECURITY	ANNUAL MONTORING-WELL #7 2/1/24to1/31/25		512.41

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87334	2/22/24	CHK	8843	CAMPBELL KNUTSON	LEGAL SERVICES - JAN 2024		993.60
					LEGAL SERVICES - JAN 2024		248.40
						Total for Check/Tran - 87334:	1,242.00
87335	2/22/24	CHK	5013	CARR'S TREE SERVICE, INC	TREE TRIMMING - 1/15/24		8,579.51
					TREE TRIMMING - 1/22/24		5,484.34
					TREE TRIMMING - 1/29/24		9,535.76
					PORTABLE BUCKET ADJUST		-44.67
					Tree Trimming		-8,579.51
					Tree Trimming		-9,535.76
						Total for Check/Tran - 87335:	5,439.67
87336	2/22/24	CHK	3982	CENTERPOINT ENERGY	NATURAL GAS & IRON REMOVAL		4,885.33
					NATURAL GAS & IRON REMOVAL		1,115.77
						Total for Check/Tran - 87336:	6,001.10
87337	2/22/24	CHK	11	CITY OF ELK RIVER	TRASH BILLED - JAN 2024		159,421.43
					REVENUE TRANSFER - JAN 2024		112,061.44
					PARTS & LABOR FOR UNIT #		218,318.91
					STORMWATER BILLED - JAN 2024		53,496.55
						Total for Check/Tran - 87337:	543,298.33
87338	2/22/24	CHK	54	CORE & MAIN LP	Water Meters		17,280.00
87339	2/22/24	CHK	7448	CRC	CUSTOMER SERVICE FOR AFTER HOURS		2,432.26
					CUSTOMER SERVICE FOR AFTER HOURS		608.07
						Total for Check/Tran - 87339:	3,040.33
87340	2/22/24	CHK	9192	ELK RIVER CUB FOODS	HAND SANITIZER - SAFETY TRAINING		2.79
					HAND SANITIZER - SAFETY TRAINING		0.70
						Total for Check/Tran - 87340:	3.49
87341	2/22/24	CHK	4252	ELK RIVER HEATING & AIR CONDITION	REPAIR AT WEST SUBSTATION		2,500.00
87342	2/22/24	CHK	707	EMBRY RIDDLE AERONAUTICAL UNIV	2023 SCHOLARSHIP AWARD - MURPHY		500.00

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87343	2/22/24	CHK	241	FRESCO, INC	Banner Arm		2,376.93
					Banner Hook		298.24
						Total for Check/Tran - 87343:	2,675.17
87344	2/22/24	CHK	5550	GEARED UP APPAREL	EMPLOYEE CLOTHING		1,350.36
					EMPLOYEE CLOTHING		337.59
						Total for Check/Tran - 87344:	1,687.95
87345	2/22/24	CHK	91	GOPHER STATE ONE-CALL	LOCATES FOR - JAN 2024		161.64
					LOCATES FOR - JAN 2024		8.51
						Total for Check/Tran - 87345:	170.15
87346	2/22/24	CHK	80	GRAINGER	GASKET		-0.91
					GASKET		12.43
						Total for Check/Tran - 87346:	11.52
87347	2/22/24	CHK	9997	HEART OF THE LAKES TEAM EXP REAL	Credit Balance Refund		228.14
87348	2/22/24	CHK	824	HOME DEPOT CREDIT SERVICES	HOME DEPOT		69.86
					HOME DEPOT		18.33
						Total for Check/Tran - 87348:	88.19
87349	2/22/24	CHK	2923	I-STATE TRUCK CENTER	PARTS & LABOR FOR UNIT #4		-2.24
					PARTS & LABOR FOR UNIT #4		242.55
						Total for Check/Tran - 87349:	240.31
87350	2/22/24	CHK	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES		44.94
					OFFICE SUPPLIES		11.23
						Total for Check/Tran - 87350:	56.17
87351	2/22/24	CHK	444	LANO EQUIPMENT, INC	PARTS FOR UNIT #73		64.47
87352	2/22/24	CHK	9997	LAPOINT ENTERPRISE INC	Credit Balance Refund		954.07
87353	2/22/24	CHK	48	LEAGUE OF MN CITIES INS TRUST	2023 WORK COMP AUDIT		3,773.03
					2023 WORK COMP AUDIT		464.97
						Total for Check/Tran - 87353:	4,238.00

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87354	2/22/24	CHK	9997	SYDNEY MARQUARDT	Credit Balance Refund		43.75
87355	2/22/24	CHK	3419	MCDOWALL COMPANY	ROOF INSPECTIONS - GARAGE & PLANT		780.00
					ROOF INSPECTIONS - PLANT		70.00
					ROOF INSPECTIONS - WELLS		950.00
						Total for Check/Tran - 87355:	1,800.00
87356	2/22/24	CHK	145	MENARDS	WALL ANCHOR		5.71
					MISC PARTS & SUPPLIES		231.06
					MISC PARTS & SUPPLIES		6.36
					MISC PARTS & SUPPLIES		0.91
					MISC PARTS & SUPPLIES - WELL #2		59.42
					MISC PARTS & SUPPLIES		89.07
					MISC PARTS & SUPPLIES		17.86
					MISC PARTS & SUPPLIES		38.54
					MISC PARTS & SUPPLIES		50.44
					MISC PARTS & SUPPLIES		25.39
					MISC PARTS & SUPPLIES		39.40
						Total for Check/Tran - 87356:	564.16
87357	2/22/24	CHK	39	MMUA	LEGIS CONF - 164 186		560.00
					LEGIS CONF - 164 186		140.00
					LEGIS CONF - 189		280.00
					LEGIS CONF - 189		70.00
						Total for Check/Tran - 87357:	1,050.00
87358	2/22/24	CHK	633	MUTUAL OF OMAHA	ELEC LIFE INSURANCE - MAR 2024		234.08
					LIFE, STD & LTD INSURANCE - MAR 2024		2,489.14
					ELEC LIFE INSURANCE - MAR 2024		203.12
					LIFE, STD & LTD INSURANCE - MAR 2024		521.30
						Total for Check/Tran - 87358:	3,447.64
87359	2/22/24	CHK	9300	NISC	PRINT SERVICES - JAN 2024		5,971.58
					PRINT SERVICES - JAN 2024		1,492.89

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					MISC INVOICE - JAN 2024		639.52
					MISC INVOICE - JAN 2024		159.88
					AGREEMENTS - JAN 2024		53.84
					AGREEMENTS - JAN 2024		10,994.60
					AGREEMENTS - JAN 2024		279.96
					AGREEMENTS - JAN 2024		2,456.08
					AGREEMENTS - JAN 2024		69.99
						Total for Check/Tran - 87359:	22,118.34
87360	2/22/24	CHK	130	RESCO	Ground Electrode		175.78
					Ground Electrode		101.00
					Ground Tester		4,364.65
					Hanger Clip		152.56
					Lineman Tools		582.58
					Discount		-2.63
						Total for Check/Tran - 87360:	5,373.94
87361	2/22/24	CHK	6575	ROGERS PRINTING AND PROMOTIONA	SHIPPING TO Q RESEARCH		22.62
					SHIPPING TO Q RESEARCH		5.65
						Total for Check/Tran - 87361:	28.27
87362	2/22/24	CHK	9997	DAN ROLFER	Credit Balance Refund		167.70
87363	2/22/24	CHK	603	ROYAL SUPPLY INC	TOWEL DISPENSER & MOP		106.18
					TOWEL DISPENSER & MOP		15.17
						Total for Check/Tran - 87363:	121.35
87364	2/22/24	CHK	6107	STUART C. IRBY CO.	SLEEVES & TESTING		-55.13
					SLEEVES & TESTING		767.77
					Tool		412.04
					JACKET SEAL ELBOW		1,627.50
					ELBOWS		4,709.00
					FUSE PAD		-350.10
						Total for Check/Tran - 87364:	7,111.08

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
87365	2/22/24	CHK	7795	TITAN MACHINERY	LIFT REPAIRS		1,793.24
87366	2/22/24	CHK	331	TRANSUNION	SKIP TRACING - DEC 2023		60.00
					SKIP TRACING - DEC 2023		15.00
						Total for Check/Tran - 87366:	75.00
87367	2/22/24	CHK	8948	TRYCO LEASING INC.	LEASE FOR COPIER AT PLANT		85.49
					LEASE FOR COPIER AT PLANT		21.37
						Total for Check/Tran - 87367:	106.86
87368	2/22/24	CHK	209	ULINE	SQUARE SIGN POST		296.63
					SQUARE SIGN POST		42.37
						Total for Check/Tran - 87368:	339.00
87369	2/22/24	CHK	628	VICTORY CLEANING SERVICES, LLC	CLEANING - 1435 MAIN - JAN 2024		141.58
					CLEANING - 1435 MAIN - JAN 2024		20.23
					CLEANING - 1705 MAIN - JAN 2024		94.40
					CLEANING - 1705 MAIN - JAN 2024		13.48
					CLEANING - 1435 MAIN - JAN 2024		141.58
					CLEANING - 1435 MAIN - JAN 2024		20.23
					CLEANING - 1435 MAIN - JAN 2024		141.58
					CLEANING - 1435 MAIN - JAN 2024		20.23
					CLEANING - 1435 MAIN - JAN 2024		2,548.55
					CLEANING - 1435 MAIN - JAN 2024		364.08
					CLEANING - 1705 MAIN - JAN 2024		188.78
					CLEANING - 1705 MAIN - JAN 2024		26.97
						Total for Check/Tran - 87369:	3,721.69
87370	2/22/24	CHK	135	WATER LABORATORIES INC	WATER SAMPLING - JAN 2024		360.00
87371	2/29/24	CHK	2920	BATTERIES PLUS BULBS	BATTERIES - UNIT #56		8.58
87372	2/29/24	CHK	42	CENTURYLINK	TELEPHONE - WELL #3		60.14
87373	2/29/24	CHK	549	CHARTER COMMUNICATIONS	OFFICE TELEPHONE		189.99

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					OFFICE TELEPHONE		47.50
						Total for Check/Tran - 87373:	237.49
87374	2/29/24	CHK	28	CINTAS	MATS & TOWELS		308.37
					MATS & TOWELS		44.06
					MATS & TOWELS		308.37
					MATS & TOWELS		44.06
						Total for Check/Tran - 87374:	704.86
87375	2/29/24	CHK	23	ELK RIVER MUNICIPAL UTILITIES	CYCLE 1 - INV GRP 421 - JAN 2024		5,983.80
					CYCLE 1 - ACCT 183 - JAN 2024		2,097.23
					CYCLE 1 - INV GRP 101 - JAN 2024		4,646.56
					CYCLE 1 - INV GRP 101 - JAN 2024		93.18
					CYCLE 1 - INV GRP 101 - JAN 2024		851.39
					CYCLE 1 - INV GRP 101 - JAN 2024		793.39
					CYCLE 1 - INV GRP 101 - JAN 2024		212.85
					CYCLE 1 - INV GRP 325 - JAN 2024		375.00
					CYCLE 1 - INV GRP 325 - JAN 2024		16,044.78
						Total for Check/Tran - 87375:	31,098.18
87376	2/29/24	CHK	664	FRONTIER ENERGY, INC	CIP - PROFESSIONAL SERVICES - JAN 2024		10,000.00
87377	2/29/24	CHK	80	GRAINGER	LOCKING PLUG		25.97
					SOLENOID VALVE		157.50
						Total for Check/Tran - 87377:	183.47
87378	2/29/24	CHK	53	GREAT RIVER ENERGY	INTERCONNECTION IMPACT STUDY		5,000.00
87379	2/29/24	CHK	809	HAWKINS, INC.	Water Chemicals		980.65
87380	2/29/24	CHK	709	HUMERATECH	REPAIR HEAT - 1705 MAIN		877.22
87381	2/29/24	CHK	5686	HYDROCORP	BACKFLOW DEVICE INSPECTION - JAN 2024		1,261.00
87382	2/29/24	CHK	6836	INNOVATIVE OFFICE SOLUTIONS LLC	OFFICE SUPPLIES		64.41
					OFFICE SUPPLIES		16.11

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
						Total for Check/Tran - 87382:	80.52
87383	2/29/24	CHK	8083	JT SERVICES OF MINNESOTA	LED PHOTO CELL		1,294.50
87384	2/29/24	CHK	145	MENARDS	LARGE SCOOP - UNIT #8		5.38
					MISC PARTS & SUPPLIES		2.47
					MISC PARTS & SUPPLIES		32.98
					PAINT		5.92
					REBATE		-0.87
					REBATE		-17.43
					REBATE		-20.31
						Total for Check/Tran - 87384:	8.14
87385	2/29/24	CHK	494	MERCHANT JOB TRAINING & SAFETY,	ILINEMAN COLLEGE BOOK 4 - 177		550.00
87386	2/29/24	CHK	120	NAPA AUTO PARTS	PARTS FOR UNIT #53		190.49
87387	2/29/24	CHK	705	NATIONAL ENERGY FOUNDATION	2024 ENERGY EDUCTION PROGRAM		4,000.00
87388	2/29/24	CHK	358	OLSEN CHAIN & CABLE, INC.	REPLACE CHAIN - MAINTENANCE BAY		-10.98
					REPLACE CHAIN - MAINTENANCE BAY		150.30
					REPLACE CHAIN - MAINTENANCE BAY		-1.57
					REPLACE CHAIN - MAINTENANCE BAY		21.47
						Total for Check/Tran - 87388:	159.22
87389	2/29/24	CHK	3218	RDO EQUIPMENT CO.	SCREWS FOR TREE TRIMMING		-17.80
					SCREWS FOR TREE TRIMMING		226.64
						Total for Check/Tran - 87389:	208.84
87390	2/29/24	CHK	512	RJM CONSTRUCTION, LLC	FIELD SERVICES BLDG - DRAW #25		190,970.57
					FIELD SERVICES BLDG - DRAW #25		27,281.50
						Total for Check/Tran - 87390:	218,252.07
87391	2/29/24	CHK	159	SHORT ELLIOTT HENDRICKSON INC	PROFESSIONAL SERVICES - JAN 2024		3,131.99
87392	2/29/24	CHK	6107	STUART C. IRBY CO.	Dead End Clamp		97.50
					Tool Rodeo		240.78

Accounts Payable
Check Register

02/01/2024 To 02/29/2024

Bank Account: 5 - GENERAL FUND WITHDRAWALS

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference		Amount
					Tools		142.13
						Total for Check/Tran - 87392:	480.41
87393	2/29/24	CHK	5536	VESSCO, INC	Chlorine Analyzer		4,063.42
					Reagents		100.77
					Standpipe		4,377.06
						Total for Check/Tran - 87393:	8,541.25
87394	2/29/24	CHK	55	WESCO RECEIVABLES CORP.	Mtce of URD Primary		1,121.90
						Total for Bank Account - 5 : (221)	6,640,389.28
						Grand Total : (223)	6,649,514.87

Accounts Payable
Check Register

PARAMETERS ENTERED:

Check Date:	02/01/2024 To 02/29/2024
Bank:	All
Vendor:	All
Check:	
Journal:	All
Format:	All GL References/Amounts
Extended Reference:	No
Sort By:	Check/Transaction
Voids:	None
Payment Type:	All
Group By Payment Type:	No
Minimum Amount:	0.00
Authorization Listing:	No
Credit Card Charges:	No

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

February 13, 2024

Members Present:	Chair John Dietz, Vice Chair Mary Stewart, Commissioners Matt Westgaard, and Nick Zerwas
Present via Zoom:	Commissioner Paul Bell participated in the meeting via interactive television as he was out of the state at the time of the meeting.
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 Meghan Zachman, Human Resources Generalist
Others Present:	Cal Portner, City Administrator; 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.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve the February 13, 2024, agenda. Motion carried 5-0

2.0 CONSENT AGENDA (Approved By One Motion)

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

2.1 Check Register – January 2024
2.2 Regular Meeting Minutes – January 9, 2024
2.3 Special Meeting Minutes – January 29, 2024
2.4 Committee Charter Updates
2.5 Distributed Energy Resources and Net Metering Rules
2.6 Cogeneration and Small Power Production Tariff – Schedule 1 and 2
2.7 Transmission Transformed Service Rate
2.8 Rate Correction – Off-Peak Demand Service Rate

Motion carried 5-0.

3.0 OPEN FORUM

No one appeared for open forum.

4.0 POLICY & COMPLIANCE

4.1 Commission Policy Review – G.2b – Governing Style

Mr. Mauren reviewed commission policy G.2b – Governing Style which consists of 13 principles of governance that commissioners will adhere to, including periodic evaluation and discussion of its policies. Mr. Mauren explained the monthly commission policy review started in January 2023 and will continue throughout 2024. Mr. Mauren asked the Commission if they had any questions or comments regarding the specific policy being reviewed today or the monthly check in process. There were none.

4.2 Annual Safety Report

Mr. Hanson presented the 2023 Annual Safety Report noting each year ERMU files OSHA Form 300A listing reportable safety incidents which includes days away from work and days on restrictions. There was an increase from one reportable incident in 2022 to six in 2023. Of the six there was a total of five missed days of work and 49 days with some form of restriction, all of which were tied to one of the six incidents. Mr. Hanson identified the reported incidents as two slips and trips, one lifting, and three struck by an object.

Chair Dietz asked if the increase in incidents will affect ERMU's worker compensation rate with the League of Minnesota Cities insurance. Commissioner Westgaard noted the rate is based on a three-year average.

Chair Dietz asked if the City and the Utility share an insurance policy with the League of Minnesota Cities. Ms. Karpinski did not think so as they are billed separately.

Commissioner Stewart asked if Mr. Hanson could discuss what the one injury was that resulted in prolonged time off and restrictions.

Mr. Hanson asked Human Resources Generalist Megan Zachman if he could.

Ms. Zachman replied affirmatively.

Mr. Hanson explained it was a slip on ice resulting in a broken rib. He reassured the Commission that staff receive annual safety training which covers winter hazards.

Chair Dietz noted he recently saw cars at the field services building until 6:00 p.m. and asked if this was an ERMU staff training. Mr. Ninow explained that John Thom, Water Operations Specialist with Short Elliot Hendrickson, is conducting a water treatment system operations course with the Minnesota Department of Health at the new field services building. This course will consist of classes each Monday evening for 11 weeks, starting on February 5. Mr. Ninow highlighted that students include ERMU's entire water department in addition to people outside of the organization, totaling approximately 18-19 students. He explained that participants will receive continuing education credits. Mr. Ninow noted this information is part of his staff update.

4.3 **Commissioner Evaluation Questions Update**

Mr. Mauren reviewed the new commissioner evaluation questions noting the changes were a result of the Commission's request to reduce the number of questions while allowing for more opportunity to make comments and include the managers in the evaluation process. Mr. Mauren stated that the new questions combined with manager feedback will provide clarity and more of a 360-degree review process. He also noted historical data will not be provided with this year's evaluation since this is a new evaluation process.

Commissioner Stewart commented that it was a good transition from the old questions which still covers important topics in a condensed format.

Commissioner Zerwas agreed with Commissioner Stewart's remarks.

Moved by Commissioner Stewart and seconded by Commissioner Westgaard to adopt updated commissioner evaluation questions. Motion carried 5-0.

5.0 BUSINESS ACTION

5.1 Financial Report – December 2023

Ms. Karpinski presented the December unaudited financial report. Electric usage was down by 1% and water was up 18% over prior year. The Energy Adjustment Clause (EAC) was less than budget, ERMU did not absorb the $500K in 2023, and it appears both electric and water will end the year in a favorable position based on the unaudited results.

Chair Dietz asked for clarification of the large pension entry under the Other Operating Expense category. Ms. Karpinski explained the current entry is an estimate based on historical data as the amount fluctuates from year to year and is not final until the results of the audit are complete.

Chair Dietz asked if the landfill gas line item will be removed after 2023 due to ERMU no longer managing the site. Ms. Karpinski confirmed it would be.

Chair Dietz requested clarification on footnote number four regarding the large difference in miscellaneous water revenue from prior year. Ms. Karpinski explained there was a change in how water tower lease revenue was recognized, and the amount won't be finalized until the audit is complete. She further explained this line item also includes water main installation assets as part of city street improvements that are considered contributed capital that will be added as an end of year entry as well.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to receive the December 2023 Financial Report. Motion carried 5-0.

Upon the arrival of City Administrator Cal Portner, Chair Dietz referred back to his question about the work compensation and liability insurance policies with the League of Minnesota Cities and asked Mr. Portner for clarification if the City and ERMU were together on one joint policy or two separate policies. Mr. Portner confirmed that the City and the Utilities have separate policies and what happens with one policy does not impact the other.

5.2 2023 Fourth Quarter Delinquent Items

Ms. Karpinski presented the 2023 Fourth Quarter Delinquent items noting write offs were $14K as compared to $31K the prior year, assessments were $11K in 2023 versus $9K in 2022, and there was a slight decrease sent to collections from $37K in 2022 to $32K in 2023. Ms. Karpinski acknowledged the excellent work of the customer service team. She also noted that the Revenue Recapture option and assessments play a role in keeping write off amounts lower.

Chair Dietz asked if there were any large delinquent items tied to one property in particular. Ms. Youngs and Ms. Karpinski confirmed there was one identified in quarter two.

Commissioner Stewart asked if the auditors provide guidance on potential bad debt as ERMU moves through the six-year statute of limitation on collections post pandemic. Ms. Karpinski confirmed there is an annual review of potential bad debt with the auditors.

Chair Dietz asked Ms. Youngs if there were customers still paying debts incurred during the pandemic. Ms. Youngs stated there were not.

Moved by Commissioner Bell and seconded by Commissioner Zerwas to approve the 2023 fourth quarter delinquent items submitted. Motion carried 5-0.

5.3 **Strategic Plan and 2023 Annual Business Plan Results**

Mr. Hanson presented the Strategic Plan noting there was a conscious effort by management to prioritize the dashboard with fewer but more complex initiatives highlighting the Advanced Metering Infrastructure (AMI) project as one example.

Staff then presented their items from the Highlights, Challenges, and Results from the 2023 Strategic Plan Initiatives attachment.

Regarding Mr. Geiser's presentation of the underground feeder tie between substation 14-4 and Otsego, Commissioner Stewart asked if the new underground lines were placed under the river or under the bridge. Mr. Geiser stated that a line encased in a pipe already located under the bridge was utilized.

Mr. Tietz expanded on his update of the AMI project to note the contract with an installation vendor is almost finalized. He also thanked the team of management and staff involved in the AMI planning for their expertise and participation in making this transition a smooth process.

Regarding Mr. Tietz's review of the AMI initiative, Commissioner Westgaard asked if supply chain issues were affecting delivery of the new meters. Mr. Tietz explained that with supply chain issues being a concern, staff have been building up inventory and to date there are approximately 1,350 electric meters and approximately one third of the residential water meters on hand. Supply chain issues still exist with the commercial and industrial polyphase meters.

Mr. Hanson expressed his appreciation to Mr. Tietz and Ms. Youngs for their extensive work and coordination related to the AMI project and to the entire team involved in making AMI operational.

Commissioner Stewart asked if the smart meter itself uses electricity and if so, is it in front of or behind the meter, asking who pays for that usage. Mr. Tietz stated there is usage from the

line to the meter which the Utility pays for noting the amount of electricity being used is miniscule and is factored into the Utilities' line loss.

Mr. Hanson reviewed the 2023 Annual Business Plan stating that overall electric utility performance for 2023 was positive. He explained the electric unaudited financials indicate revenues were unfavorable to budget by 3% but expenses were favorable to budget by 4% which resulted in a 4% margin overall. Mr. Hanson continued his review noting that overall water utility performance for 2023 was very positive. He explained the water unaudited financials indicate that revenues were favorable to budget by 10% and expenses were favorable to budget by 6% for a 16% margin overall.

There were no questions from the Commission regarding the Review of the 2023 Annual Business Plan.

Mr. Hanson asked the Commission if they find the Strategic Plan update a valuable use of their time, specifically, hearing from each staff person as they review their department's initiatives.

Commissioner Stewart commented she enjoys hearing from each staff member as it showcases their pride in the work being done and their appreciation for the staff they work with.

Commissioner Westgaard agreed with Commissioner Stewart stating he appreciates having the time for discussions and interactions with other staff.

Mr. Hanson informed the commission that the 2024-25 Strategic Plan will focus more on major initiatives. He explained that previously there has been at least one initiative for every planning theme but, unless directed otherwise by the Commission, he was planning to focus on the necessary projects which may or may not cover every theme.

The Commission was agreeable to this approach.

5.4 **Compensation Study Update**

Mr. Hanson presented the Compensation Study Update noting that Baker Tilly has recommended a list of 10 comparable and competitive peer organizations plus two backup options to include in the study. Mr. Hanson then reviewed the methodology behind Baker Tilly's process for gathering reliable comparison data.

Commissioner Stewart asked if someone would reach out to the comparable utilities prior to the survey going out to them. Mr. Hanson replied that with the Commission's approval of the list that would be the next step.

Chair Dietz questioned why larger utilities like Connexus Energy, Great River Energy, and Wright Hennepin Electric were on the list of comparable utilities since their customer base is larger than ERMU.

Mr. Hanson explained that this is where the analysis of job description will be important. There has to be a 75% or greater match in job duties and responsibilities to be considered for the study. Baker Tilly will also factor in geographic location to adjust the cost of living.

Chair Dietz asked if Baker Tilly would present a single number or give pay range options for each job description. Mr. Hanson explained that Baker Tilly will present a range with three data points that represent the low, mid, and high pay range.

Commissioner Zerwas commented on the earlier point of including the larger utilities in the area, noting it was important to include them in the study as they are direct competitors when it comes to hiring and employee retention.

Commissioner Stewart asked how many comparable utilities provide water services s. Mr. Hanson replied that seven of the ten comparable utilities include water and noted Baker Tilly is aware of this and is comfortable with that number.

Moved by Commissioner Stewart and seconded by Commissioner Westgaard to approve comparable peer utilities for the 2024 Compensation Study. Motion carried 5-0.

5.5 **Meter Installation Services Master Services Agreement – Allegiant Utility Services, LLC**

Mr. Tietz presented the Meter Installation Services Master Services Agreement noting six proposals were received in which one of the six did not meet the requirements. After a thorough review, Allegiant Utility Services, LLC was selected in December 2023 and legal staff is currently working through the final stages of the master services agreement.

Commissioner Westgaard asked if there is a window or schedule of a sunset date or deadline for work completion. Mr. Tietz stated there is a timeframe established in the attached documents.

Commissioner Westgaard asked Mr. Shepherd for guidance. Mr. Shepherd agreed there should be definitive dates included in the agreement that will supersede the current proposal language stating, “time is of the essence.”

Commissioner Stewart noted the Excel spreadsheet did not come through in the packet. There was discussion.

Mr. Hanson noted the timeline is established in the proposal and the proposal is part of the contract. He also clarified that Allegiant Utility Services is located in Baxter, MN and that they have the ability to send crews as needed when ERMU receives inventory.

Commissioner Stewart noted the signature page from Allegiant Utility Services, LLC is from Texas and asked if their headquarters, being out of state, will affect the project. Mr. Hanson explained that Allegiant had recently been acquired by a larger firm, but the original business contracted to do the work is out of Baxter, MN.

Mr. Shepherd stated that he was unaware Allegiant had been acquired but noted this happens often and should not be an issue.

Moved by Commissioner Westgaard and seconded by Commissioner Stewart to approve the Meter Installation Services Master Services Agreement between Elk River Municipal Utilities and Allegiant Utility Services, LLC, subject to attorney approval as per Commission Policy G.4i4 - Procurement. Motion carried 5-0.

6.0 BUSINESS DISCUSSION

6.1 Staff Updates

Mr. Hanson reported there was an incident with some new AMI meters in which five homes were unintentionally disconnected. He confirmed the issue has been resolved and pointed out the good news was this situation allowed staff to test the reconnection side of the system and Mr. Tietz was able to reconnect the customers quickly and easily.

Mr. Mauren reminded the Commission there will be an orientation with Frontier Energy on March 12 prior to the commission meeting. He also reminded commissioners with a physical copy of the policy manual to turn it in to him and he will update them with any changes from the previous 12 months. Mr. Mauren shared that the communications department took part in an interview about community engagement which was published on the website for Utility Dive. Mr. Mauren handed out copies of the interview to commissioners and it was added to the packet. He also highlighted that staff are working with National Energy Foundation in bringing an educational program to fourth grade students in ISD 728. The program is being offered to schools in ERMU's service territory with Parker, Lincoln, and Meadowvale Elementary Schools already confirming their interest. Finally, Mr. Mauren stated that Ms. Foss had taken the drone on its first flight, and all went well.

Mr. Portner noted the City and the Utility are hosting a blood drive on February 14 with openings still available. He also stated the annual Boards and Commission's dinner is coming up which will include a short presentation on Open Meeting Law.

6.2 **City Council Update**

Commissioner Westgaard noted topics discussed at recent council meetings include conditional use permits for business signage, commission interviews and appointments, and a discussion of drafting a new ordinance for small parcels.

6.3 **Future Planning**

Chair Dietz announced the following:

a. Commission Orientation – March 12, 2024, 2:30 p.m.
b. Regular Commission Meeting – March 12, 2024
c. 2024 Governance Agenda

6.5 **Other Business**

There was no other business.

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 4:49 p.m. Motion carried 5-0.

Minutes prepared by Jenny Foss.

_____
John J. Dietz, ERMU Commission Chair

_____
Tina Allard, City Clerk

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 4.1
SUBJECT: Commission Policy Review – G.2c – Agenda Planning	
ACTION REQUESTED: Review the policy, provide comment, and approve updates	

BACKGROUND/DISCUSSION:
This month commissioners are reviewing policy G.2c – Agenda Planning to make comments, ask questions, or recommend/approve updates.

With this policy the Commission establishes its expectations for a proactive governance process, expressed in terms of a forward-looking agenda of recurring governance functions.

Staff is proposing several updates to the policy, in particular, bringing its language in line with the current Commission Governance Agenda, which is available for review in item 4.3 – Annual Commissioner Orientation.

ATTACHMENTS:
- ERMU Policy – G.2c – Agenda Planning – Redlines
- ERMU Policy – G.2c – Agenda Planning – Clean Copy

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2c**	Policy Title: **Agenda Planning**

PURPOSE:

With this policy, the Commission establishes its expectations for a proactive governance process, expressed in terms of a forward-looking agenda of recurring governance functions. The Commission also establishes the process for determining the agenda for each regularly scheduled Commission meeting.

POLICY:

The Commission, with support from the General Manager, will prepare, distribute, and follow a governance agenda that spans the upcoming fiscal year. The Commission will update this agenda annually during the fourth quarter of each fiscal year. The Commission will review the agenda as a part of each regular Commission meeting. The Commission's governance agenda will include a schedule of its recurring governance functions by month to facilitate the preparation of meeting agendas and the conduct of regular and special Commission meetings. Recurring governance functions include but are not limited to the following: consideration of stakeholder interests, policy review and development, strategic planning, approval of financial and business plans including budgets, organizational performance monitoring, internal and external audit reviews, General Manager performance planning and evaluation, governance evaluation and development, Commission Officer election, and committee appointments. The Commission will keep its governance agenda up-to-date and available to all Commission members, the Commission's Legal Counsel, and the General Manager.

The General Manager, with direction from the Commission, will also prepare and distribute, in a timely manner, a detailed agenda that provides for open communications and the orderly and efficient conduct of each regular Commission meeting, special Commission meeting and Commission work session. Agendas for regular Commission meetings will address items from the governance agenda, Commission actions required by law, and other appropriate business matters. Agendas for special Commission meetings and Commission work sessions will typically focus on a limited number of specific items that are best handled in those types of meetings. Consistent with the preceding:

1. During the first quarter of each fiscal year (January - March):

   a. The Commission will review its committee charters.

   ~~a. The Commission will elect officers at its March meeting, following the appointment of Commissioners by the City Council.~~

   b. ~~b.~~ The Commission and Management will review ERMU's current Strategic Plan along with the results of the Annual Business Plan for the preceding fiscal year.

   c. Commissioners appointed by the City Council will take the oath of office and the Commission will elect officers at its March meeting. The Commission will hold its annual orientation and review its governance responsibilities and role.

2. During the second quarter of each fiscal year (April-June):

   a. The Commission will consider and approve the external audit report as specified in the Governance Agenda.

   b. The Commission will review the financial reserves balances and related policy. The Commission will~~shall~~ take action as appropriate per policy.

   c. The Commission and Management will evaluate the Performance Metrics~~atrix~~ for the preceding fiscal year.

   d. The Commission will formally evaluate the performance of the General Manager.

   e. The Commission will formally evaluate its own performance. Following this evaluation, the Commission, with support from the General Manager, will arrange for governance education for the next fiscal year, including education related to the determination of desired results.
   ~~d.~~

3. During the third quarter of each fiscal year (July-September):

   ~~a. The Commission will formally evaluate its own performance. Following this evaluation, the Commission, with the support from the General Manager, will arrange for governance education for the next fiscal year, including education related to the determination of desired results.~~

   a. The Commission and Management will begin its annual update of the Strategic Plan and Financial Plan for the succeeding five-year period.

   b. The Commission will review Management's proposed twenty-year Capital Improvement Plan.
   ~~b.~~

Commented [TM1]: Added per the Governance Agenda.

Commented [TM2]: Moved to follow Governance Agenda sequence.

Commented [TM3]: Added per the Governance Agenda.

Commented [TM4]: Moved to second quarter per Commission's recommendation.

Commented [TM5]: Partially moved to third quarter per Governance Agenda sequence. The rest was left in fourth quarter.

4. During the fourth quarter of each fiscal year (October - December):

~~a. The Commission will review and approve Management's proposed five-year Capital Improvement Plan as well as its proposed Annual Business Plan with budget, rates, and fees for the next fiscal year.~~

a) ~~b.~~The Commission, in conjunction with Management, will determine the stakeholder communications plan and schedule for the next fiscal year.

b) The Commission will adopt an official depository and delegate authority for electronic funds transfers.

c) The Commission will adopt a governance agenda, meeting schedule, and official newspaper for the succeeding year.

Commented [TM6]: Added per the Governance Agenda.

d) The Commission will review and adopt its proposed Annual Business Plan with budget, rates, and fees for the next fiscal year.

5. The Commission will direct the General Manager to prepare and distribute the agenda for each regularly scheduled meeting as follows:

a. The ~~Commission Chair and the~~ General Manager will develop~~iscuss~~, at least ~~monthly, approximately~~ seven (7) days in advance of each regularly scheduled Commission meeting~~, to develop~~ a tentative agenda, including any items to be discussed in closed session.

b. The tentative agenda and meeting packet of supporting materials will be distributed to Commission members and others approximately three (3) days in advance of the Commission meeting. Presentations and supplemental information items may be provided at the Commission meeting,

c. The General Manager will ensure the posting of a meeting notice, along with the tentative agenda, in compliance with applicable law.

d. Any Commission member or the General Manager may request additions, deletions or other changes to the agenda at the beginning of a regular meeting when the Commission Chair requests approval of the tentative agenda. Items requiring research or other advance preparation should be suggested for future meeting agendas. No items may be added to the agenda of special meetings and work sessions.

e. Agendas for regular Commission meetings will be prepared in a consistent format as shown in the most current version of the Commission's "Model Agenda." ~~.~~ Agenda items will be categorized by their nature, specifically identifying in order items that are presented:

i. Governance – Includes agenda items: call meeting to order, pledge of allegiance, consider agenda, resolutions, and similar actions of governance.
ii. Consent – Includes items that are considered routine. There may be questions asked for clarification, but typically these items have no discussion. The items on consent are presented for Commission consideration all together and by one motion. A Commission member may request before the motion to approve the "Consent" items that any item(s) be moved from "Consent" to "Business Action."
iii. Open Forum – This is an opportunity for public participation. Speakers will be required to state their name and address for public record. Items will be heard at the discretion of the Commission Chair. Items will be for discussion only; no action can be taken on the topic during that meeting. Presenters shall adhere to a time limit of 3 minutes.
iv. Policy & Compliance – Policy review, policy development, and compliance monitoring.
v. Business Action – Current business action requests and performance monitoring reports.
vi. Business Discussion – This includes strategic planning, general updates, and informational reports. Topics may be tabled for future Business Action consideration. Will include an agenda item title "Future Planning" during which time any Commissioner or the General Manager may discuss and suggest items for placement on future meeting agendas. This agenda category will also include the item "Other Business" to provide additional flexibility for discussion of matters not specifically contemplated in advance or for agenda items that do not required Commission action and do not conform to any of the predetermined categories.

Commented [TM7]: Adopted in 2023.

f. The Commission prefers to introduce important decision items on the agenda at least one meeting before the meeting at which a decision is required. This is a preference but not a requirement.

g. The Commission will include monitoring of the General Manager on a meeting agenda if monitoring reports show policy violations, or if policy criteria are to be debated.

POLICY HISTORY:

Adopted	May 9, 2017
Revised	December 11, 2018
Revised	March 12, 2024

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2c**	Policy Title: **Agenda Planning**

PURPOSE:

With this policy, the Commission establishes its expectations for a proactive governance process, expressed in terms of a forward-looking agenda of recurring governance functions. The Commission also establishes the process for determining the agenda for each regularly scheduled Commission meeting.

POLICY:

The Commission, with support from the General Manager, will prepare, distribute, and follow a governance agenda that spans the upcoming fiscal year. The Commission will update this agenda annually during the fourth quarter of each fiscal year. The Commission will review the agenda as a part of each regular Commission meeting. The Commission's governance agenda will include a schedule of its recurring governance functions by month to facilitate the preparation of meeting agendas and the conduct of regular and special Commission meetings. Recurring governance functions include but are not limited to the following: consideration of stakeholder interests, policy review and development, strategic planning, approval of financial and business plans including budgets, organizational performance monitoring, internal and external audit reviews, General Manager performance planning and evaluation, governance evaluation and development, Commission Officer election, and committee appointments. The Commission will keep its governance agenda up-to-date and available to all Commission members, the Commission's Legal Counsel, and the General Manager.

The General Manager, with direction from the Commission, will also prepare and distribute, in a timely manner, a detailed agenda that provides for open communications and the orderly and efficient conduct of each regular Commission meeting, special Commission meeting and Commission work session. Agendas for regular Commission meetings will address items from the governance agenda, Commission actions required by law, and other appropriate business matters. Agendas for special Commission meetings and Commission work sessions will typically focus on a limited number of specific items that are best handled in those types of meetings. Consistent with the preceding:

1. During the first quarter of each fiscal year (January - March):

    a. The Commission will review its committee charters.

    b. The Commission and Management will review ERMU's current Strategic Plan along with the results of the Annual Business Plan for the preceding fiscal year.

    c. Commissioners appointed by the City Council will take the oath of office and the Commission will elect officers at its March meeting. The Commission will hold its annual orientation and review its governance responsibilities and role.

2. During the second quarter of each fiscal year (April-June):

    a. The Commission will consider and approve the external audit report as specified in the Governance Agenda.

    b. The Commission will review the financial reserves balances and related policy. The Commission will take action as appropriate per policy.

    c. The Commission and Management will evaluate the Performance Metrics for the preceding fiscal year.

    d. The Commission will formally evaluate the performance of the General Manager.

    e. The Commission will formally evaluate its own performance. Following this evaluation, the Commission, with support from the General Manager, will arrange for governance education for the next fiscal year, including education related to the determination of desired results.

3. During the third quarter of each fiscal year (July-September):

    a. The Commission and Management will begin its annual update of the Strategic Plan and Financial Plan for the succeeding five-year period.

    b. The Commission will review Management's proposed twenty-year Capital Improvement Plan.

4. During the fourth quarter of each fiscal year (October - December):

    a) The Commission, in conjunction with Management, will determine the stakeholder communications plan and schedule for the next fiscal year.

    b) The Commission will adopt an official depository and delegate authority for electronic funds transfers.

c) The Commission will adopt a governance agenda, meeting schedule, and official newspaper for the succeeding year.

d) The Commission will review and adopt its proposed Annual Business Plan with budget, rates, and fees for the next fiscal year.

5. The Commission will direct the General Manager to prepare and distribute the agenda for each regularly scheduled meeting as follows:

   a. The General Manager will develop, at least seven (7) days in advance of each regularly scheduled Commission meeting, a tentative agenda, including any items to be discussed in closed session.

   b. The tentative agenda and meeting packet of supporting materials will be distributed to Commission members and others approximately three (3) days in advance of the Commission meeting. Presentations and supplemental information items may be provided at the Commission meeting,

   c. The General Manager will ensure the posting of a meeting notice, along with the tentative agenda, in compliance with applicable law.

   d. Any Commission member or the General Manager may request additions, deletions, or other changes to the agenda at the beginning of a regular meeting when the Commission Chair requests approval of the tentative agenda. Items requiring research or other advanced preparation should be suggested for future meeting agendas. No items may be added to the agenda of special meetings and work sessions.

   e. Agendas for regular Commission meetings will be prepared in a consistent format as shown in the most current version of the Commission's "Model Agenda." Agenda items will be categorized by their nature, specifically identifying in order items that are presented:

      i. Governance – Includes agenda items: call meeting to order, pledge of allegiance, consider agenda, resolutions, and similar actions of governance.
      ii. Consent – Includes items that are considered routine. There may be questions asked for clarification, but typically these items have no discussion. The items on consent are presented for Commission consideration all together and by one motion. A Commission member may request before the motion to approve the "Consent" items that any item(s) be moved from "Consent" to "Business Action."
      iii. Open Forum – This is an opportunity for public participation. Speakers will be required to state their name and address for public record. Items will be heard at the discretion of the Commission Chair. Items will be for discussion only; no action can be taken on the topic during that meeting. Presenters shall adhere to a time limit of 3 minutes.
      iv. Policy & Compliance – Policy review, policy development, and compliance monitoring.

v. Business Action – Current business action requests and performance monitoring reports.
vi. Business Discussion – This includes strategic planning, general updates, and informational reports. Topics may be tabled for future Business Action consideration. Will include an agenda item titled "Future Planning" during which time any Commissioner or the General Manager may discuss and suggest items for placement on future meeting agendas. This agenda category will also include the item "Other Business" to provide additional flexibility for discussion of matters not specifically contemplated in advance or for agenda items that do not require Commission action and do not conform to any of the predetermined categories.

f. The Commission prefers to introduce important decision items on the agenda at least one meeting before the meeting at which a decision is required. This is a preference but not a requirement.

g. The Commission will include monitoring of the General Manager on a meeting agenda if monitoring reports show policy violations, or if policy criteria are to be debated.

POLICY HISTORY:

Adopted	May 9, 2017
Revised	December 11, 2018
Revised	March 12, 2024

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO:	FROM:
ERMU Commission	Mark Hanson – General Manager
MEETING DATE:	**AGENDA ITEM NUMBER:**
March 12, 2024	4.2
SUBJECT:	
City Code Review - Article V, Division 5 – Public Utilities Commission	
ACTION REQUESTED:	
Review the code and provide comment	

BACKGROUND/DISCUSSION:

On February 20, 2024, Elk River city staff reviewed Article V, Boards and Commissions with the City Council. City staff presented a draft ordinance revision consisting mostly of housekeeping items as there were inconsistencies among the organization of the various commissions outlined in the ordinance. New items noted and discussed with City Council included:

1. Bylaws would now be required by each board to be reviewed and approved annually.
    a. The Clerk's office would supply a template that can be used by each board.
    b. Each Commission can set their schedules and certain items without needing an ordinance amendment.
2. Information that applied to every board was removed from individual sections and added to its own general section.
3. Sections are reorganized so all commissions follow the same section headings.
4. Clarification on reporting requirements to the City Council for all the boards.

Article V, Division 5 references our Public Utilities Commission. On request of the city staff, ERMU staff have reviewed Division 5 and recommend the redlined changes noted on the attached draft ordinance.

Attached documents provide only the relevant portion of the code.

ATTACHMENTS:

- City Code - Article V, Division 5 – Public Utilities Commission - Redlines
- City Code - Article V, Division 5 – Public Utilities Commission - Clean Copy

ARTICLE V. BOARDS AND COMMISSIONS

DIVISION 5. PUBLIC UTILITIES COMMISSION[1]

Sec. 2-271. ~~Statutes accepted~~Established ~~and Continued~~.

There is hereby continued as heretofore established in the city a public utilities commission.

The public utilities commission shall be governed independently by the officers and members of the Public ~~c~~ Utilities Commission in accordance with section G.1a Bylaws of the Elk River Municipal Utilities Commission Policy.

The city hereby accepts the provisions of Minn. Stats. §§ 412.331—412.391.

~~In addition, the city hereby accepts Laws of Minnesota 2016, Chapter 97 - H.F. No. 2718, signed by the Governor of Minnesota on May 12, 2016, which states: "Notwithstanding Minnesota Statutes, sections 412.331 and 412.341, subdivision 1, the city of Elk River may increase the membership of the city's public utilities commission to five members. Upon increasing the number of members to five members, no more than two members may also serve as city council members. Terms for the additional membership shall be staggered and set in accordance with the bylaws governing the public utilities commission."~~

Sec. 2-272. ~~Commission continued~~Membership.

Membership of the Public Utilities Commission shall be in accordance with section G.1a Bylaws of the Elk River Municipal Utilities Commission Policy.

In addition, the city hereby accepts Laws of Minnesota 2016, Chapter 97 - H.F. No. 2718, signed by the Governor of Minnesota on May 12, 2016, which states: "Notwithstanding Minnesota Statutes, sections 412.331 and 412.341, subdivision 1, the city of Elk River may increase the membership of the city's public utilities commission to five members. Upon increasing the number of members to five members, no more than two members may also serve as city council members. Terms for the additional membership shall be staggered and set in accordance with the bylaws governing the public utilities commission."

~~There is hereby continued as heretofore established in the city a public utilities commission.~~

~~Sec. 2-273. Membership.~~

~~Each member of the public utilities commission shall be a resident of the city. The public utilities commission shall consist of five members, with a minimum of one member and no more than two members being city council members.~~

Sec. 2-273. Purpose.

The Elk River Municipal Utilities Commission is established to operate and maintain those utilities under its jurisdiction ~~in alignment with~~as stated in section G.1a Bylaws ~~the Authority and Purpose Policies stated~~ in the Elk River Municipal Utilities Commission Policy.

Sec. 2-274. Powers, Duties, and Jurisdiction.

The utilities commission shall have and exercise the powers and duties conferred upon such commissions by Minn. Stats. §§ 412.331—412.391 and by ordinances, rules, and regulations of the city. The commission shall also exercise the duties conferred upon it by this Code and by the Elk River Municipal Utilities Commission Policy Manual.

The following public utilities shall be within the jurisdiction of the public utilities commission:

(1) The city water system.

(2) The city light and power system.

Sec. 2-275. Meetings.

The public utilities commission shall meet regularly each month.

Sec. 2-275~~5~~6. Reports.

The accounting officer of the public utilities commission shall make such monthly or annual statements of operation as the commission may require. An annual financial report shall be made, and a copy filed with the city administrator at the close of the calendar year and shall be included as part of the annual financial statement of the city administrator in conformance with law. The cost of publication of any other official statement required by law to be published shall be paid from public utility funds.

Sec. 2-277~~6~~. Violation of rules.

It is unlawful for any person to violate any rules promulgated by the public utilities commission.

Secs. 2-278~~7~~—2-295. Reserved.

~~m~~mission vision, goals, tasks, and accomplishments.

ARTICLE V. BOARDS AND COMMISSIONS

DIVISION 5. PUBLIC UTILITIES COMMISSION[1]

Sec. 2-271. Established.

There is hereby continued as heretofore established in the city a public utilities commission.

The public utilities commission shall be governed independently by the officers and members of the Public Utilities Commission in accordance with section G.1a Bylaws of the Elk River Municipal Utilities Commission Policy.

The city hereby accepts the provisions of Minn. Stats. §§ 412.331—412.391.

Sec. 2-272. Membership.

Membership of the Public Utilities Commission shall be in accordance with section G.1a Bylaws of the Elk River Municipal Utilities Commission Policy.

In addition, the city hereby accepts Laws of Minnesota 2016, Chapter 97 - H.F. No. 2718, signed by the Governor of Minnesota on May 12, 2016, which states: "Notwithstanding Minnesota Statutes, sections 412.331 and 412.341, subdivision 1, the city of Elk River may increase the membership of the city's public utilities commission to five members. Upon increasing the number of members to five members, no more than two members may also serve as city council members. Terms for the additional membership shall be staggered and set in accordance with the bylaws governing the public utilities commission."

Sec. 2-273. Purpose.

The Elk River Municipal Utilities Commission is established to operate and maintain those utilities under its jurisdiction as stated in section G.1a Bylaws in the Elk River Municipal Utilities Commission Policy.

Sec. 2-274. Powers, Duties, and Jurisdiction.

The utilities commission shall have and exercise the powers and duties conferred upon such commissions by Minn. Stats. §§ 412.331—412.391 and by ordinances, rules, and regulations of the city. The commission shall also exercise the duties conferred upon it by this Code and by the Elk River Municipal Utilities Commission Policy Manual.

The following public utilities shall be within the jurisdiction of the public utilities commission:

(1) The city water system.

(2) The city light and power system.

Sec. 2-275. Meetings.

The public utilities commission shall meet regularly each month.

Sec. 2-276. Reports.

The accounting officer of the public utilities commission shall make such monthly or annual statements of operation as the commission may require. An annual financial report shall be made, and a copy filed with the city

---

administrator at the close of the calendar year and shall be included as part of the annual financial statement of the city administrator in conformance with law. The cost of publication of any other official statement required by law to be published shall be paid from public utility funds.

Sec. 2-277. Violation of rules.

It is unlawful for any person to violate any rules promulgated by the public utilities commission.

Secs. 2-278—2-295. Reserved.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 4.3
SUBJECT: Annual Commissioner Orientation	
ACTION REQUESTED: None	

BACKGROUND:
Commission Policy G.2d – Commission Member Role, Responsibilities, and Orientation describes the role and responsibilities of commissioners operating as a governing body in accordance with applicable law. The Commission also establishes its expectations for the orientation of new commission members.

As stated in the policy, "The ERMU Commission is committed to excellent governance. This requires that individual Commissioners be well-informed about ERMU, its customers and stakeholders, the utility business, prudent financial management, and the Commission's own governance structure and processes." Consistent with this commitment and commission policies, an annual orientation program for new and existing commission members was implemented in 2018.

This year's orientation will offer a presentation from Frontier Energy on updates to ERMU's Conservation Improve Program as well as a review of the Commission Policy manual and reference guide updates from the previous 12 months.

COMMISSIONER POLICY AND REFERENCE GUIDE UPDATES:

1. Updated Commission Policies
    - G.2g1 – Wage & Benefits Committee Charter
    - G.2g2 – Financial Reserves and Investment Committee Charter
    - G.2g3 – Information Security Committee Charter
    - G.2g4 – Dispute Resolution Committee Charter
    - G.2i – Electronic Signature
    - G.4f1 – Employee Handbook
    - G.4g1 – Performance Metrics and Incentive Compensation Policy

2. Updates to Commission Reference Guide
    - 2024 Governance Agenda
    - 2024 ERMU Organizational Chart
    - 2024 ERMU Staff Roster - *On file with the Governance Manager*
    - 2024 Utilities Commission Member Listing
    - 2024 Utilities Commission Meeting Schedule
    - 2024 Upcoming Events
    - 2024 Travel Expense Guidelines for Commissioners

ATTACHMENTS:

- Summary Commission Policy and Reference Guide Updates for 2024
- Updated Policies and Reference Guide items listed above

Elk River Municipal Utilities

SUMMARY COMMISSION POLICY AND REFERENCE GUIDE UPDATES FOR 2024

POLICY

G.2g1/2/3/4 – Wage & Benefit, Financial Reserves & Investment, Information Security, and Dispute Resolution Committee Charters – January 9/February 13, 2024 – Language adjusted to clarify that all meetings will be held in accordance with Open Meeting Law.

G.2i – Electronic Signature – August 8, 2023 – New policy to establish the use and acceptability of electronic signatures for ERMU. With this policy's approval, ERMU offers electronic signatures of service agreements on its website.

G.4f1 – Employee Handbook – June 13, 2023 –The changes are:

- Revise Date in footer & on cover page.
- Revise Table of Contents and page numbers.
- Revise Section 13 - Commitment to a Drug and Alcohol-Free Workplace, related to adult-use cannabis legalization.
- Revise Section 30 - On-Call, to update residency rule for on-call workers to include commute time.
- Revise Section 33 - Lead Pay Differential, to update lineworker position title and add water operator as a qualifying position.
- Revise Section 34 - Longevity Pay, to update when the bonus is paid out.
- Revise Section 43 - Paid Holidays, to add Juneteenth Day.
- Revise Section 44 - Employee Clothing, to update lineworker position title.
- Revise Section 45 - Health Care Savings Plan, to add the percentage of paid sick leave conversion to HCSP at time of retirement.
- Revise Section 47 - Health Insurance Coverage, to reflect cost increase.
- Add Section 51 - Short Term Disability, to reflect the new employee benefit.

Updates that will appear in the 2024 Employee Handbook to be presented at a future meeting:

- January 9, 2024 – The clothing allowance for commissioners and non-field staff was increased from $75 to $120.
- November 14 – 2023 – Wage & Benefit Committee
    - Updating the Bereavement Leave Policy to include more inclusive language for relations that qualify for three days of leave and a one-day tier for aunts, uncles, and cousins.
    - Adjustments to the Nightwork and Rest Time Policy to provide a two-hour minimum rest time for nightwork occurring 10:00 p.m. to 6:00 a.m. and eight hours of rest time for employees working four or more hours between the hours of 12:00 a.m. to 6:00 a.m.

- 2024 Vacation Accrual Schedule

0-3 yrs.	13 days
4-9 yrs.	16 days
10-11 yrs.	17 days
12-13 yrs.	19 days
14-15 yrs.	20 days
16-18 yrs.	22 days
19 yrs.	25 days
20-21 yrs.	26 days
22-23 yrs.	27 days
24+ yrs.	28 days

G.4g1 – Performance Metrics and Incentive Compensation – December 12, 2023 – The potential distribution for the 2024 year of measure was increased from 2.5% to 3% with the actual distribution to occur in 2025.

REFERENCE GUIDE

2024 Governance Agenda – The Commission recommended moving the Annual Commission Performance Evaluation from July to June to space out the agenda.

2024 Organizational Chart – The conservation & key accounts manager position is now a conservation & key accounts specialist (vacant), reporting to the administrations director.

2024 ERMU Staff Roster – *On file with the governance & communications manager*.

2024 Utilities Commission Member Listing – No change for 2024. Provides contact information and terms for commission members.

2024 Utilities Commission Meeting Schedule – The June 2024 meeting will be held on the first Tuesday of the month at the regular time and place to ensure a quorum, with commissioners expected to attend a conference. The August meeting will occur at the regular date and time but at the field services building as the city will need the regular meeting room during the Primary Election. All other meetings will occur at 3:30 p.m. on the second Tuesday of each month in the Uppertown Conference Room.

2024 Upcoming Events – The Sherburne County Parade is scheduled for Saturday, July 20; The Minnesota Municipal Power Agency Annual Meeting is scheduled for Tuesday, July 23 in Le Sueur, MN; The Minnesota Municipal Utilities Association's Summer Conference is scheduled for August 19-21 in Fargo/Moorhead.

2024 Travel Expense Guidelines – The only change is an increase in the business mileage reimbursement rate from 65.5 cents to 67 cents.

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2g1**	Policy Title: **Wage & Benefits Committee Charter**

PURPOSE:

The Wage and Benefits Committee exists to help the Commission develop and maintain a pay plan structure and benefits package that are market competitive, help promote employee retention, and to help the Commission make informed decisions which provide value to the customers through fair labor expenses. This Committee also exists to help the Commission with succession planning and review pay equity compliance.

MEMBERSHIP:

The Committee shall be comprised of two Commissioners, the General Manager, the Administrations Director, and the Operations Director. At no time shall there be a quorum of the Commission on the Committee.

The Commission shall appoint Committee members annually following the Commission election of officers during the March Regular Commission meeting. The Commission shall also appoint the Committee Chair at that time.

ROLE OF THE COMMITTEE CHAIR:

The primary role of the Committee Chair is to run the Committee meetings. The Committee will adhere to the Current edition of ***Robert's Rules of Order Newly Revised*** for all situations to which they are applicable and are not inconsistent with ERMU's bylaws, policies, and any special rules of order that the Commission may adopt. Committee meetings may be open or closed in accordance with Open Meeting Law.

AUTHORITY:

Except as established in this Committee Charter, the authority of the Committee is limited to the purpose of research and recommendation to the Commission. The Committee, at the discretion and through formal action of the Commission, may be empowered beyond the role of research

and recommendation such that it is consistent with the ***Organizational Core Purpose*** policies and the ***Commission Committees*** policy.

SPECIFIC DUTIES:

1. At the request of the Commission, research and analyze topics related to employee compensation and benefits.

2. Annually perform market benchmarking and evaluate wages. The Committee shall present options and make recommendations regarding cost of living adjustments and pay plan structure modifications to the Commission for their consideration.

3. Review insurance policies and evaluate policy renewals related to employee benefit insurances. The Committee shall present options and make recommendations regarding these insurance policies to the Commission for their consideration.

4. Evaluate wage and benefit requests from employees. Present and make recommendations to the Commission as appropriate.

5. Review submittal information pertaining to pay equity compliance requirements and present options and make recommendations to the Commission as appropriate.

6. Record minutes of Committee meetings. Committee meeting minutes shall be subject to applicable data retention law and policies.

SCHEDULE:

At a minimum, the Committee shall meet on a quarterly basis.

TERMINATION:

The Committee shall exist until at such time formal action of the Commission is taken to dissolve the Committee.

POLICY HISTORY:

Adopted	May 9, 2017
Revised	February 14, 2023
Revised	January 9, 2024

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2g2**	Policy Title: **Financial Reserves & Investment Committee Charter**

PURPOSE:

The Financial Reserves & Investment Committee exists to help the Commission develop and maintain industry appropriate financial reserves and investment policies.

MEMBERSHIP:

The Committee shall be comprised of two Commissioners, the General Manager, and the Finance Manager. At no time shall there be a quorum of the Commission on the Committee.

The Commission shall appoint Committee members annually following the Commission election of officers during the March Regular Commission meeting. The Commission shall also appoint the Committee Chair at that time.

ROLE OF THE COMMITTEE CHAIR:

The primary role of the Committee Chair is to run the Committee meetings. The Committee will adhere to the Current edition of ***Robert's Rules of Order Newly Revised*** for all situations to which they are applicable and are not inconsistent with ERMU's bylaws, policies, and any special rules of order that the Commission may adopt. Committee meetings may be open or closed in accordance with Open Meeting Law.

AUTHORITY:

Except as established in this Committee Charter, the authority of the Committee is limited to the purpose of research and recommendation to the Commission. The Committee, at the discretion and through formal action of the Commission, may be empowered beyond the role of research and recommendation such that it is consistent with the ***Organizational Core Purpose*** policies and the ***Commission Committees*** policy.

SPECIFIC DUTIES:

1. At the request of the Commission, research and analyze topics related to financial reserves and investments.

2. On a periodic basis, the Committee will review the Investment Policies, investment balances, and the various investment instruments for return, liquidity, and diversification. The Committee may present options and make recommendations to the Commission for their consideration.

3. Annually, when the Commission designates the official depository for the year, it should provide for the Finance Manager to recommend that additional depositories be designated for the purpose of investing funds.

4. On behalf of the Commission and Committee, new investments will be authorized by the Finance Manager, with the funds actually being transferred via a check produced by the A/P Specialist, and recorded in the check register detail presented at the regular Commission meetings. Investments that mature shall be reinvested by the Finance Manager. All investing will be transacted working with the investment firm(s) or bank(s) for the best rate of return within the constraints of the Management Investment Policy. In the event that the Finance Manager is unable to conduct the above investment responsibilities, the General Manager has the authority to act in his/her absence.

5. On a periodic basis, the Committee will review the Financial Reserves Policies and reserve balances. The Committee may present options and make recommendations to the Commission for their consideration.

SCHEDULE:

At a minimum, the Committee shall meet on an annual basis.

TERMINATION:

The Committee shall exist until at such time formal action of the Commission is taken to dissolve the Committee.

POLICY HISTORY:

Adopted	May 9, 2017
Revised	July 14, 2020
Revised	January 9, 2024

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2g3**	Policy Title: **Information Security Committee Charter**

PURPOSE:

Information security is managing risks to the confidentiality, integrity, and availability of information using administrative, physical, and technical controls.

The Information Security Committee exists to help develop and maintain industry appropriate information security policies and oversight. Because of shared hardware and resources, there exists an overlap and shared risk for ERMU and the City of Elk River (City) operations. Although governed autonomously, this shall be an advisory Committee to both the ERMU and the City.

MEMBERSHIP:

This Committee shall be comprised of equal representation from ERMU and the City. From ERMU this committee shall include a Commissioner and the General Manager. The General Manager will appoint three additional members, at least one of whom will be a manager and at least one will be an information technology employee. From the City this committee shall include a Councilmember and the City Administrator. The City Administrator will appoint three additional members, at least one of whom will be a manager and at least one will be an information technology employee. At no time shall there be a quorum of the Commission or the Council on the Committee.

The Commission shall appoint ERMU's Committee member representatives annually following the Commission election of officers during the March Regular Commission meeting. The Council shall appoint its member annually. The Committee shall elect a chair annually. The General Manager and the City Administrator shall serve as the authorized reporting representatives for their respective governing bodies.

ROLE OF THE COMMITTEE CHAIR:

The primary role of the Committee Chair is to run the Committee meetings and act as committee secretary. The Committee will adhere to the Current edition of ***Robert's Rules of Order Newly***

Revised for all situations to which they are applicable and are not inconsistent with ERMU's bylaws, policies, and any special rules of order that the Commission may adopt; and similarly, the Committee action shall not be inconsistent with applicable laws and policies which regulate the City of Elk River. Committee meetings may be open or closed in accordance with Open Meeting Law.

AUTHORITY:

Except as established in this Committee Charter, the authority of the Committee is limited to the purpose of research and recommendation to ERMU and the City.

SPECIFIC DUTIES:

1. Policies and Procedures: Assist ERMU and the City in the development of information security related policies. Review effectiveness of information security policy implementations. Identify and recommend how to handle non-compliance. Assist with the development of information security related procedures, standards, guidelines, and baselines to the ERMU and the City. At least annually, provide timely reports including recommendations regarding effectiveness of polices and procedures to ERMU and City leadership teams.

2. Risk Assessment: Review industry appropriate information security trends to maintain an up-to-date perspective on related risks and industry's best practice risk mitigation methods. Identify significant threats and vulnerabilities. Assess the adequacy and coordination of the implementation of information security controls. Recommend methodologies and processes for information security. Evaluate ongoing related legal and regulatory compliance changes. Review incident information and recommend follow-up actions. At least annually, provide timely reports including recommendation regarding risks assessment to ERMU and City leadership teams.

3. Budget Development: Develop data needed for thorough evaluation of proposed information security initiatives for budget preparation and consideration. Information shall include options, risk evaluation, resource requirements, implementation timelines, and costs. At least annually and coordinating with their respective budgeting process schedules, provide timely reports regarding information security initiatives proposed for consideration to ERMU and City leadership teams.

4. Education and Awareness: Function as an information security program champion providing clear direction and unity in ERMU and City leadership teams' support for approved security initiatives and policies. Develop and implement plans and programs to maintain information security awareness. Promote information security education, training, and awareness throughout ERMU and the City.

SCHEDULE:

At a minimum, the Committee shall meet on an annual basis.

TERMINATION:

The Committee shall exist as a joint effort between ERMU and the City until at such time either the Commission or Council dissolve the joint nature of the Committee.

POLICY HISTORY:

Established	August 8, 2017
Revised	November 12, 2019
Revised	February 14, 2023
Revised	January 9, 2024

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2g4**	Policy Title: **Dispute Resolution Committee Charter**

PURPOSE:

The Dispute Resolution Committee exists to provide customers an alternative dispute resolution option for circumstances which: require action beyond the authority assigned through the ***Delegation to Management Policies***; require policy creation, revision, or exception; have exhausted the established utilities procedures and/or protocol; and involves customer protected data for which the customer prefers addressing the issue through a meeting closed to the public.

For qualifying customer disputes, the Committee will provide: an informal hearing in accordance with Open Meeting Law allowing the customers to communicate the concern; recess and reconvene as needed to conduct appropriate research and/or deliberate; make a determination within parameters established through the ***Commission Policies*** and within the authorities delegated through this policy; and report and/or make recommendations to the Commission as required.

MEMBERSHIP:

The Committee shall be comprised of five members, three appointed annually and two which vary with each dispute. The three members appointed annually shall include two Commissioners and the General Manager. At no time shall there be a quorum of the Commission on the Committee. The Committee shall also include the director and the manager most directly involved in the dispute.

The Commission shall appoint Committee members annually following the Commission election of officers during the March Regular Commission meeting. The Commission shall also appoint the Committee Chair at that time.

ROLE OF THE COMMITTEE CHAIR:

The primary role of the Committee Chair is to run the Committee meetings. The Committee will adhere to the Current edition of ***Robert's Rules of Order Newly Revised*** for all situations to which they are applicable and are not inconsistent with ERMU's bylaws, policies, and any

special rules of order that the Commission may adopt.

AUTHORITY:

Except as established in this Committee Charter, the authority of the Committee is limited to the purpose of dispute resolution within the authorities delegated to management through the Commission Policies, research related to customer disputes or complaints, and recommendations to the Commission. The Committee, at the discretion and through formal action of the Commission, may be empowered beyond the role as outlined in this policy such that it is consistent with the ***Organizational Core Purpose*** policies and the ***Commission Committees*** policy.

SPECIFIC DUTIES:

1. After a formal request is submitted for a qualifying customer dispute, the Committee will schedule a hearing, either in person or virtual, within a reasonable amount of time.

2. Through the hearing, the Committee will allow the customer to communicate relevant information and request dispute resolution which may require policy creation, revision, or exemption.

3. The Committee is required to verify all information and data; and the Committee will review the Customer's account history and other relevant information.

4. And as needed, the Committee shall research industry best practices related to the dispute.

5. The Committee is authorized to engage legal counsel for legal review and recommendations.

6. The Committee will make a determination whether resolution can be provided within the authorities assigned through this policy; and if so, the Committee will provide written summary of the dispute and the authorized resolution for implementation by management.

7. When no action is taken by the Committee toward resolution, the Committee will determine whether the request warrants further consideration by the Commission, in which case the Committee will present a summary of the dispute to the Commission and a make recommendation. In the event that no action is taken by the Committee, and the Committee has determined that the dispute does not warrant further consideration or advancement to the Commission, the Committee shall summarize their finding in a report to be provide to the customer and placed on file.

8. The Committee shall record minutes of all Committee meetings. Committee meeting minutes shall be subject to applicable data retention law and policies.

SCHEDULE:

The Committee shall meet on an as-needed basis.

TERMINATION:

The Committee shall exist until at such time formal action of the Commission is taken to dissolve the Committee.

POLICY HISTORY:

Adopted	January 12, 2021
Revised	February 14, 2023
Revised	February 13, 2024

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Governance Policies
Policy Reference: **G.2i**	Policy Title: **Electronic Signature**

PURPOSE:

Elk River Municipal Utilities ("ERMU") continuously works to increase efficiencies and further sustainability measures. ERMU's efforts include the reduction of printing and paper use, and the increase in paperless forms of communication and approval processes. The purpose of this policy is to establish procedures to allow the use of electronic or digital signatures in place of handwritten (or "wet") signatures pursuant to Minnesota's Uniform Electronic Transactions Act (Minn. Stat., Ch. 325L) ("the Act").

The State of Minnesota authorizes and encourages the use of electronic signatures by governmental agencies, including municipalities commissions, and instrumentalities of municipalities, as an efficient and cost-effective method of operations. Specifically, the State requires government agencies to determine whether and to what extent they will use and accept electronic signatures (Minn. Stat. § 325L.18). As more governmental services and forms are offered online, agencies and municipalities need the ability and authority to review, comment upon, approve, sign, and otherwise process these forms and information in a digital and paperless medium.

The Minnesota Legislature codified this encouragement with the passage of the Act. The Act provides the basis for electronic or digital signatures to be given the same legal recognition, function, and weight as handwritten signatures in all circumstances outlined in the Act. The Act applies to any electronic record or electronic signature created, generated, communicated, received, or stored after August 1, 2000.

Under the Act, "electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. A record or signature may not be denied enforceability solely because it is in an electronic form (Minn. Stat. § 325L.07 (a)). Further, if a law requires a record to be in writing, an electronic record satisfies the law (Minn. Stat. § 325L.07(c)). If a law requires a signature, an electronic signature satisfies the law (Minn. Stat. § 325L.07(d)).

To recognize these efficiencies in ERMU operations, the Elk River Public Utilities Commission ("Commission") authorizes the use of electronic and/or digital signatures as a valid signature to issue checks and other orders of public funds; and execute documents and agreements.

POLICY:

To the fullest extent permitted by law, ERMU may utilize electronic digital signatures as legally binding and equivalent to handwritten signatures whenever feasible, prudent, and efficient.

This policy hereby adopts the Definitions of the Act (Minn. Stat. § 325L.02). This policy does not apply to certain documents and transactions governed by the Uniform Commercial Code.

A legible and acceptable electronic signature should have the following components:

A. The name of the signer and is applied in a manner to execute or validate the document;

B. The typed or printed name of the signer below or adjacent to the signature when the signature uses a digitized or scanned version of the signer's hand scribed signature or the name is in a cursive font;

C. The signer's corporate, managerial, or partnership title as part of or adjacent to the digital signature when the signer is signing on behalf of an organization or legal entity;

D. When required or capable, evidence of authentication of the signer's identity such as the text "digitally signed by" along with the software provider's seal/watermark, date and time of execution; or, have an authentication code or key identifying the software provider; and,

E. A font, size and color density that is clearly legible and reproducible when reviewed, copied and scanned into a black on white format.

PROCEDURES:

All legally binding electronic documents and agreements shall be executed in accordance with the Uniform Electronic Transactions Act (UETA) and the Minnesota Act.

A. ERMU staff and appointed officials are authorized to accept and use electronic signatures in all situations where requirement of a signature or approval is stated or implied. This policy does not supersede situations where laws specifically require a written signature, nor the specific signature policies of other government agencies.

B. ERMU staff and appointed officials are authorized to use electronic signatures for documents, such as ERMU service agreements, purchase orders, expense reports, checks, and other customary and routine documents that are electronically generated. Other documents may be deemed appropriate by the General Manager or Commission Attorney.

C. ERMU staff and appointed officials may utilize third party certification methods to authenticate electronic or digital signatures with vendors, contractors, or other government departments and agencies whenever prudent or at the direction of the General Manager or Commission Attorney.

D. ERMU staff are authorized to use the signature field in Adobe or other similar electronic signature tool as a means of signing the document electronically.

E. Electronic signatures must apply to individuals only, and not for roles, positions, or titles.

F. ERMU reserves the right to refuse to use or accept an electronic or digital signature that does not comply with the Act or other applicable Minnesota Statutes.

G. ERMU will retain an electronic copy of all electronically signed documents and agreements in accordance with the State Record Retention Policy.

RESPONSIBILITY AND AUTHORITY:

Administrative implementation of policy as permitted by the Act, the Minnesota Electronic Authentication Act (Minn. Stat., Ch. 325K), and Minnesota Statutes §§ 47.41 and 47.42.

POLICY HISTORY:

Adopted August 8, 2023

Elk River Municipal Utilities

EMPLOYEE HANDBOOK

13069 Orono Parkway
ELK RIVER, MN 55330

June 2023

Office: 763-441-2020

Table of Contents

RECEIPT AND ACKNOWLEDGMENT v

1. IMPORTANT NOTICE ABOUT THIS HANDBOOK 1
PERSONNEL RECORDS 1
ACCESS TO PERSONNEL RECORDS 1

GENERAL WORKPLACE POLICIES 4

2. OPEN DOOR POLICY 4
3. EQUAL EMPLOYMENT OPPORTUNITY 5
4. DISABILITY ACCOMMODATION 5
5. HARASSMENT PROHIBITED 6
Definitions of Sexual and Other Forms of Harassment 6
Scope of Policy 7
Procedure for Reporting Harassment 7
Confidentiality – No Retaliation 8
Questions About This Policy 8
6. BUSINESS CONDUCT 8
7. ETHICS, GIFTS AND CONFLICTS OF INTEREST 9
8. EMPLOYMENT OF RELATIVES 9
9. WHISTLEBLOWERS 10
10. WAGE INFORMATION 10
11. WEAPONS PROHIBITED 11
12. EMPLOYEE SAFETY 11
13. COMMITMENT TO A DRUG AND ALCOHOL-FREE WORKPLACE 12
14. EXPOSURE TO HAZARDOUS SUBSTANCES 14
15. SOLICITATION AND DISTRIBUTION 14
Non-Employees 15
Employees 15
Related Policies 15
Violation of This Policy By an Employee 15
16. ELECTRONIC COMMUNICATIONS: INTERNET, E-MAIL, AND SOCIAL MEDIA 16
General Guidelines Applicable to Electronic Communications, Including Communications Over Social Media 16
Bandwidth Conservation 18
17. SUPPLEMENTAL EMPLOYMENT 18
Fire Department Participation 18
18. REPORT OF PERSONNEL CHANGES 19
19. ATTENDANCE 19
20. DISCIPLINE, DISMISSAL & LAY OFF 19
Discipline 19
Probation and Dismissal 20

Layoff/Reduction in Force 20
21. JOB POSTING 20
22. PERFORMANCE REVIEWS 21
Performance Metrics Incentives 21

WAGES AND HOURS 21

23. WORK HOURS, OVERTIME, AND COMPENSATORY TIME 21
General Policy 21
Compensatory Time 22
24. EMPLOYEE CLASSIFICATIONS 23
Regular Full-Time Employee 24
Regular Part-Time Employee 24
Regular Field Worker 24
Exempt Employee 24
Non-Exempt Employee 24
Utilities Manager 24
Temporary Worker 25
25. TIME REPORTING POLICY 25
General Policy 25
Recording Time 25
Frequency 25
Time Deductions for Breaks 26
Ensuring Accuracy of Timekeeping Reports 26
Special Note About Work Performed Outside of Scheduled Times and Places 26
26. REMOTE WORK POLICY 27
27. FAIR PAY POLICY 31
All Employees 31
Protection of Employee Rights 31
Record Your Time And Review Your Pay Stub 31
How to Raise a Question or Concern about your Pay or a Payroll Deduction 31
Regular Attendance is an Essential Job Function and Your Attendance Record is a Performance Issue 32
Non-Exempt Employees 32
On Call Time For Non-Exempt Employees 33
Exempt Employees 33
Salary Basis of Compensation 33
Attendance and Recording Time for Exempt Employees 33
On Call Time For Exempt Employees 33
Deductions from an Exempt Employee's Salary 34
Important Definitions. 34
Permissible Deductions from Salary. 34
Impermissible Deductions from Salary. 35
Permissible Deductions from An Exempt Employee's Leave Bank 35

Questions or Concerns about This Fair Pay Policy **35**
28. BREAKS FOR NURSING MOTHERS TO PUMP BREAST MILK **35**
29. CALL OUT TIME: REGULAR FIELD WORKERS **36**
30. ON-CALL **36**
Regular Field Workers. **36**
Required On-Call Rotation for Regular Field Workers 36
Residency Rule 36
Response Time 36
Take Home Vehicles 37
Compensation for On-Call Time 37
Compensation for Actual Response Time 38
Call out time 38
Other On-Call Arrangements **38**
Superintendents. 38
Take Home Vehicles 39
31. ELECTRIC RE-CONNECT TIME **39**
32. STORM PAY **39**
33. LEAD PAY DIFFERENTIAL **39**
34. LONGEVITY PAY **40**
35. PAYCHECK DEDUCTIONS **41**
36. PAYCHECKS **41**
37. NIGHTWORK REST TIME **42**
38. TRAVEL AND TRAINING TIME **42**

BENEFITS **44**

39. GENERAL BENEFITS **44**
40. VACATION **44**
41. PURCHASED VACATION TIME (PVT) **45**
42. PAID SICK LEAVE **46**
43. PAID HOLIDAYS **47**
44. EMPLOYEE CLOTHING **48**
45. HEALTH CARE SAVINGS PLAN **49**
46. 457 DEFERRED COMPENSATION **50**
Leave Credit In Lieu Of Compensation **50**
47. HEALTH INSURANCE COVERAGE **50**
48. DENTAL INSURANCE **51**
49. LONG-TERM DISABILITY **51**
50. LIFE INSURANCE **51**
51. SHORT TERM DISABILITY INSURANCE **51**
52. VISION INSURANCE **52**
53. HOME COMPUTER LOAN POLICY **52**
54. EDUCATIONAL ASSISTANCE **52**

LEAVES OF ABSENCE **54**

55. PARENTING LEAVE **54**
56. MINNESOTA SICK FAMILY MEMBER OR SAFETY LEAVE **55**
57. SCHOOL ACTIVITIES LEAVE POLICY **56**
58. BONE MARROW AND ORGAN DONATION LEAVE **56**
59. NATIONAL GUARD AND RESERVE LEAVE **56**
60. MILITARY LEAVE FOR UNIFORMED SERVICE **57**
61. JURY/WITNESS DUTY LEAVE **57**
62. PERSONAL LEAVE DAY **58**
63. BEREAVEMENT LEAVE **58**
64. GENERAL LEAVE **58**
65. VOTING LEAVE; SERVICE AS ELECTION JUDGE **58**
66. PAID LEAVE DONATION **59**

RECEIPT AND ACKNOWLEDGMENT **62**

46703186v1

RECEIPT AND ACKNOWLEDGMENT

(EMPLOYEE REFERENCE COPY)

By signing this receipt, I acknowledge that I have received a copy of the Elk River Municipal Utilities Employee Handbook (the "Handbook"). This Handbook and the policies contained or referenced in the Handbook supersede and replace previously-issued handbooks, contrary oral or written statements of employment policy, and contrary employment practices.

I understand that the Employee Handbook may be amended at any time, with or without notice. I understand that I do not have a protected property interest in my employment with the Utilities. I also understand that neither this Handbook nor any provision in it creates a contract of employment for any particular duration between the Utilities and me. Further, I understand that nothing in this Handbook creates a contract with specific terms between the Utilities and me.

I acknowledge that it is my responsibility to become and remain informed about the employment policies and practices of the Utilities and to abide by the rules, regulations, standards and policies of the Utilities, including those contained in this Handbook. I also understand that any violation by me of the Utilities' rules, regulations, policies, practices, or standards is just cause for discipline, up to and including termination of my employment.

_____ _____

Date Print or Type Name

_____

Employee Signature

46703186v1

1. IMPORTANT NOTICE ABOUT THIS HANDBOOK

This Employee Handbook sets forth general policies of the Elk River Municipal Utilities (the "Utilities") and is intended to help you get to know the Utilities and your responsibilities. The Handbook applies to all Utilities employees.

The Utilities Commission shall, in accordance with its statutory responsibility to manage the Utilities, be responsible for the maintenance and periodic revision of personnel policies, the Utilities' personnel program, and this Handbook. The Utilities is committed to complying with all applicable law. If it comes to the attention of the Utilities that any provision of this Handbook is inconsistent with applicable law, the Utilities will comply with applicable law.

Each employee of the Utilities is responsible to become and remain informed about the employment policies and practices of the Utilities and to abide by the rules, regulations, standards and policies of the Utilities, including those contained in this Handbook.

This Handbook is designed to answer basic questions about the Utilities' employment policies and procedures and to serve as a resource when you may need information. This Handbook cannot cover every situation, and the Utilities reserves the right to interpret and apply this Handbook and to address each situation as it determines appropriate.

If you have any questions about the information in this Handbook, or if the Handbook does not appear to address your concern, please contact your immediate supervisor, another Utilities manager or Director, or the Utilities' Human Resources Representative.

No employee has a protected property interest in his or her employment with the Utilities, and nothing in or about this Handbook creates a contract of employment for any particular duration between the Utilities and any Employee. Further, to be clear, nothing in this Handbook creates a contract with specific terms between the Utilities and any employee.

Violation of the Utilities' rules, regulations, policies, standards or practices is just cause for discipline, up to and including termination of employment.

PERSONNEL RECORDS

Certain personnel records are required by law, and others are needed for the Utilities benefits and administrative purposes. Please be sure that all personal information in your file is accurate and up-to-date. If your personal information changes, please let Human Resources know.

ACCESS TO PERSONNEL RECORDS

Minnesota Law provides employees with certain rights relating to their personnel records. (See Minnesota Statutes Sections 181.960 to 181.965). The Utilities will comply with all

requirements of the law. As a new or continuing employee of the Utilities you are put on notice of the following rights and remedies provided by Minnesota law.

1. Employees, upon making a good faith written request, have the right to review their personnel record, as defined by the statute, up to once every six months. The record must be made available during the Utilities' normal hours of operation, but not necessarily the employee's normal working hours, and at the employee's place of employment or other nearby location. The Utilities may require that the review be done in the presence of a Utilities representative. If employees so choose, they may make a written request for a copy of the personnel record which will be provided free of charge.

2. Former employees, upon making a good faith written request, have the right to receive a copy of their personnel record, as defined by the statutes, once each year after separation of employment for as long as the personnel record is maintained. The personnel records must be provided free of charge.

3. The Utilities must comply with the written request to review or provide a copy of the personnel records no later than seven working days after receipt of the written request, or no later than fourteen days after the receipt of the request if the personnel record is located outside of the state.

4. Employees and former employees have the right to submit a written position statement to the personnel record if the record contains any disputed information which the employee/former employee and the Utilities cannot agree to remove or revise. The written position statement may not exceed five written pages. The written position statement must be included along with the disputed information in the record for as long as the disputed information is maintained in the personnel record. A copy of the written position statement must also be provided to any other person who receives a copy of the disputed information from the Utilities after the written position statement is submitted.

5. If the Utilities and the employee have fully complied with the requirements related to disputed information, which are described in the paragraph immediately above, no communication by the employee or the Utilities of information contained in the personnel records may be made the subject of any common law civil action for libel, slander, or defamation, unless the Utilities communicates information with knowledge of its falsity or with reckless disregard of its falsity.

6. If the Utilities refuses to comply with the personnel record statutes, employees and former employees may bring a civil cause of action seeking to compel compliance and may recover actual damages plus costs for a violation of the statutes. In addition, the Minnesota Department of Labor & Industry can enforce the statutes and seek additional remedies and impose fines.

7. The Utilities may not retaliate against an employee for asserting the rights or seeking the remedies described above. Employers that retaliate against employees for exercising the rights or remedies described above may be liable for actual damages, back

pay, reinstatement, costs, attorneys' fees and other make whole relief. In addition, the Minnesota Department of Labor & Industry may seek additional remedies and impose fines.

8. Information that properly belongs in the employee's personnel record, as defined in the statute, which is omitted from the personnel record provided by the Utilities to the employee may not be used by the Utilities in certain legal proceedings including administrative, judicial or quasi-judicial proceedings, unless the Utilities did not intentionally omit the information and the employee is given a reasonable opportunity to review the omitted information prior to its use.

GENERAL WORKPLACE POLICIES

2. OPEN DOOR POLICY

During your employment with the Utilities you may have certain concerns, such as an issue, suggestion, complaint, or question, about your job, your working conditions or some related matter. We strongly encourage you to raise any such concerns to Utilities management, so that we will have the benefit of your input on the matter and you will have the benefit of our best efforts to address any concerns you might have.

In addition, you are required to report any conduct in the workplace or related to the Utilities that you believe is illegal, and to ask questions if you are not sure whether any particular conduct is legal or appropriate. Please also see the discussion under the Whistleblower Policy in this Handbook. Anyone who fails to report a known or suspected violation of law, regulation or internal policy may be considered to have committed an equally serious violation. That individual may be subject to corrective and/or disciplinary action, up to and including discharge.

Under this Open Door Policy, we ask that you first raise any concern about your employment or the workplace with your immediate supervisor, if possible, and follow the steps below to have your concerns addressed. (Please note that issues of harassment should be addressed in accordance with the Utilities' Harassment Policy in this Handbook.)

1. If you have any concern about any aspect of employment with the Utilities or with the Utilities' business, please voice your concerns to your immediate supervisor as soon as possible. In most cases your immediate supervisor will be the person in the best position to address your concerns. The supervisor and the Utilities will make every effort to keep the matter confidential to the extent possible within the confines of the rights and obligations of you and the Utilities.

2. If for some reason you are not comfortable discussing your concerns with your immediate supervisor, choose another Utilities manager or Director with whom to discuss your concerns. Again, he/she will make every effort to keep the matter confidential to the extent possible.

3. Alternatively, or in addition, you may feel free to contact the Utilities' Human Resources Representative.

The Utilities strictly prohibits retaliation or reprisal of any kind against an employee who makes a good faith report regarding a known, or suspected, violation or concern regarding any law.

3. EQUAL EMPLOYMENT OPPORTUNITY

The Utilities pledges its best efforts to avoid discrimination against any employee or applicant for employment because of race, color, creed, religion, sex, sexual orientation, gender identity, age, national origin, marital status, familial status, pregnancy, genetic information, veteran status, status with regard to public assistance, disability, status as a patient enrolled in the state of Minnesota medical marijuana registry program or an enrolled patient's positive drug test for marijuana, or any other status that may be protected by state or federal law.

The Utilities prohibits discrimination against and harassment of any employee or job applicant on the basis of protected class status. Employees who participate in discrimination in violation of this Policy are subject to discipline up to and including termination. Retaliation against any employee for making a good faith complaint under this Policy or for assisting with investigations of complaints made under this Policy is also strictly prohibited.

Any person who feels that he/she has experienced discrimination or harassment in violation of law and/or this Policy should immediately contact his/her supervisor, the Human Resources Representative, and/or any Utilities manager or Director. Any manager or Director who receives a report under this policy is required to communicate the matter to the Human Resources Representative immediately.

4. DISABILITY ACCOMMODATION

The Utilities is committed to providing reasonable accommodation, as appropriate, for qualified employees who have disabilities and for health conditions related to an eligible employee's pregnancy, childbirth, or related health conditions.

An employee who believes that he or she requires an accommodation due to a disability, pregnancy or childbirth in order to perform the essential functions of his or her position should so advise his or her immediate supervisor, another Utilities manager or Director, or the Human Resources Representative. We ask that this request be made in writing.

On receipt of a reasonable accommodation request, the Utilities will engage in an interactive process with the employee to determine if the employee is entitled to a reasonable accommodation and if one can be granted without creating an undue hardship for the Utilities. The Utilities reserves the right to request medical or other certification of the need for the accommodation in accordance with applicable law.

Retaliation against any individual for making a good faith complaint under this Equal Employment Opportunity/Disability Accommodation policy, for opposing discrimination, or for participating in an investigation of any claim regarding discrimination or disability accommodation is strictly prohibited.

If you feel that you have experienced such retaliation, you should follow the Reporting Procedure outlined above in the Open Door Policy. Any manager or Director who receives a report under this policy is required to communicate the matter to the Human Resources Representative immediately.

5. HARASSMENT PROHIBITED

All Utilities employees have a right to work in an environment free from discrimination and intimidation, including harassment. The mission of the Utilities is best accomplished in an atmosphere of professionalism that in turn is supported by mutual respect and trust. The Utilities expects all employees to work toward this goal. Harassment based on a person's race, color, creed, religion, national origin, sex, sexual orientation, gender identity, disability, age, marital status, genetic information, status with regard to public assistance, veteran status or any other protected class status may be unlawful and is strictly prohibited by the Utilities.

Definitions of Sexual and Other Forms of Harassment

Harassment consists of unwelcome conduct based on a person's race, color, creed, religion, national origin, sex, sexual orientation, gender identity, disability, age, marital status, genetic information, status with regard to public assistance, veteran status, or any other protected class status that is interfering with your job performance, or creating an intimidating, hostile, or offensive work environment; or when submission to such conduct is:

- a condition of employment; or
- a basis for an employment decision affecting your job.

One form of prohibited harassment is sexual harassment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, sexually motivated physical contact or other verbal or physical conduct or communication of a sexual nature that is interfering with your job performance, or creating an intimidating, hostile, or offensive work environment; or when submission to such conduct is made:

- a condition of employment; or
- a basis for an employment decision affecting your job.

The Utilities prohibits sexual harassment of any type and in any form, including verbal, physical, and visual harassment. Some examples of conduct that may be sexual harassment include:

- use of offensive or demeaning terms that have sexual connotations;

- telling suggestive jokes or stories and conversations about sexual exploits, sexual preferences, and desires;

- jokes, cartoons, pictures, objects or stories that have a sexual content;

- threats, demands or suggestions that an employee's work status, advancement or other terms and conditions of employment are contingent upon the employee's toleration of or acquiescence to unwelcome sexual advances;

- repeated, unwelcome sexual flirtations, propositions, or invitations to social engagements; or

- unwelcome and objectionable physical contact or physical proximity.

Scope of Policy

The Utilities prohibits harassment of any type or form. This policy prohibits same sex harassment as well as harassment by members of the opposite sex. In addition, this policy prohibits sexual harassment and any other form of harassment by any individual, including Utilities managers, employees, co-workers, and third parties such as clients, elected officials, consultants, contractors or vendors who deal with the Utilities' employees.

Procedure for Reporting Harassment

The Utilities wants to resolve any problems, but it can do so only if it is aware of them. The Utilities encourages any individual who believes he/she is being harassed to report any and all incidents of perceived harassment.

If at any time you feel you are being harassed, you should immediately contact:

your supervisor; and/or

another Utilities manager or Director (including any superintendent of the Utilities or other representative as defined in Section 24 of this Handbook); and/or

the Human Resources Representative.

Any Utilities manager or Director or other person who receives a report under this policy is required to communicate the matter to the Human Resources Representative immediately.

Your report of harassment may be oral or written; in either case, it is important that you state that your report is being made under this harassment policy, or that it concerns harassment. You may choose to whom you make the report; that choice, however, must be made from the list of individuals named above.

The Utilities will promptly investigate harassment complaints as appropriate, and take other appropriate action. Any person who is found to have committed prohibited harassment will be subject to corrective action up to and including termination.

Confidentiality – No Retaliation

The Utilities will strive to protect the confidentiality of information the Utilities receives pursuant to this policy to the extent feasible and to the extent permitted by law.

Retaliation against any individual for making a good faith complaint under this policy, for opposing harassment, or for participating in an investigation of any claim regarding harassment or inappropriate behavior is strictly prohibited.

If you feel that you have experienced such retaliation, you should follow the Reporting Procedure outlined in this policy.

Questions About This Policy

Any questions about this policy or any related matter should be referred to the Human Resources Representative or any Utilities manager or Director.

6. BUSINESS CONDUCT

In accepting employment with the Utilities, employees become its representatives to the public and are responsible for assisting and serving the customers for whom they work. An employee's primary responsibility is to serve the customers of Elk River Municipal Utilities. The values of Elk River Municipal Utilities - ethics, open and honest communication, maintaining a positive workplace for employees, and serving customers – must guide our daily business activities. We strive for and take individual responsibility for ethical behavior – not only because it is the right thing to do, but also because it is a fundamental value in public services.

Unacceptable conduct consists of any act or omission that, in the business judgment of Elk River Municipal Utilities, significantly departs from expected standards of behavior affecting the workplace. Some examples of unacceptable conduct include, but are not limited to:

1. Not performing assigned duties to the best of the employee's ability at all times.
2. Not rendering prompt and courteous service to customers and the public at all times.
3. Not maintaining courtesy and professionalism towards other employees.
4. Unauthorized possession of Utilities property.
5. Falsifying timekeeping records or any other Utilities records.
6. Violating the Utilities' work rules regarding alcohol and illegal drugs.
7. Violating the Utilities' rules regarding Electronic Communications.
8. Fighting or threatening violence in the workplace.

9. Negligence or improper conduct leading to damage of employer-owned or customer-owned property.
10. Insubordination or other disrespectful conduct, including failing to respond to warnings or directives to improve conduct or performance.
11. Violation of safety or health rules.
12. Sexual or other unlawful or unwelcome harassment.
13. Unauthorized possession of firearms or any object that could be considered a dangerous weapon (or other violation of the Utilities' weapons policy).
14. Excessive absenteeism or any absence without reasonable notice.
15. Unauthorized disclosure of business secrets or confidential information.
16. Misuse of Utilities resources.
17. Any other behavior unacceptable to Utilities management or any conduct inconsistent with the policies in this Handbook or the rules, practices or standards of the Utilities.

All employees have a personal responsibility to report any behaviors or practices that may constitute unacceptable conduct under this policy. Such conduct may risk our future success. If you have any concerns or questions, discuss them with the Human Resources Representative, your supervisor or any Utilities manager or Director. These concerns will be treated confidentially (to the extent possible) and with high priority.

7. ETHICS, GIFTS AND CONFLICTS OF INTEREST

Utilities employees shall not use their official position for personal gain, engage in any business or transaction or have a financial interest, direct or indirect, which is in conflict with the proper performance of their official duties. Utilities employees must scrupulously avoid any activities that suggest a conflict of interest between their private interests and Utilities responsibilities.

Employees shall not accept, either directly or indirectly, any money, property, gift, gratuity, reward, loan, fee, discount, or special consideration or special accommodation from any vendor or potential vendor to the Utilities or the City of Elk River, or that arises from or is offered because of their employment or any activity connected with their employment with the Utilities.

8. EMPLOYMENT OF RELATIVES

It is generally the policy of the Utilities not to employ relatives or cohabitants of current employees or Utilities Commissioners. The purpose of this policy is to prevent conflicts of interest, the appearance of such conflicts, undue influence over an individual's employment, and distraction from workplace productivity and safety. Occasional exceptions may be made to this general policy for legitimate business reasons in the discretion of the Utilities; provided, however, that in no event will relatives or cohabitants be permitted to be in a direct reporting relationship at the Utilities. "Relative" for purposes

of this policy includes parent, marital or non-marital domestic spouse, sibling, child and step-child, grandparent, grandchild, parent-in-law, a person for whom the employee is a legal guardian, first cousin, sibling-in-law, son/daughter-in-law, niece/nephew, and aunt/uncle.

9. WHISTLEBLOWERS

Pursuant to Minn. Stat. § 181.932, Elk River Municipal Utilities will not discharge, discipline, threaten, or otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

a. *The employee, or a person acting on behalf of any employee, in good faith, reports a violation or suspected violation of any federal or state law or rule adopted pursuant to law to the Utilities or to any governmental body or law enforcement official;*
b. *The employee is requested by a public body or office to participate in an investigation, hearing, inquiry; or*
c. *The employee refuses the Utilities' order to perform an action that the employee has an objective basis in fact to believe violates any State or Federal law or rule regulation adopted pursuant to law and the employee informs the Utilities that the order is being refused for that reason.*

The Utilities will make reasonable efforts to preserve as confidential the identity of an employee making a report under this policy to the extent feasible and consistent with applicable law. Any Utilities manager or Director who receives a report under this policy is required to communicate the matter to the Human Resources Representative immediately.

Employees shall not make any statements or disclosures pursuant to this section knowing that they are false or that they are in reckless disregard of the truth. This section does not permit disclosures that would violate federal or state law or diminish or impair the right of any person to the continued protection of confidentiality or communications provided by common law.

10. WAGE INFORMATION

Employees working for the Utilities, or living, in Minnesota have the right, under Minn. Stat. §181.172, to choose to disclose their own wages and to discuss another employee's wages that have been voluntarily disclosed by that employee. In addition, regardless of location, employees who are not managers or supervisors also have these rights. An employee does not, however, have the right to disclose to a competitor of the Utilities or to any other person any wage information regarding other employees of the Utilities that

he or she has learned in the course of performing job duties that involve access to confidential and private information about employees.

The Utilities shall not require an employee to agree to give up his or her wage disclosure rights as a condition of employment, to sign any document that purports to deny an employee his or her wage disclosure rights, or take any retaliatory or other adverse employment action against an employee for exercising his or her wage disclosure rights.

A copy of Minn. Stat. §181.172 can be obtained from Human Resources. §181.172 permits a civil cause of action for a violation of the statute and, in any such action, the court may, if found appropriate, order job reinstatement, back pay, restoration of lost service credit, and the expungement of adverse records.

11. WEAPONS PROHIBITED

Elk River Municipal Utilities prohibits all employees from carrying or possessing firearms or other weapons while acting in the course and scope of their employment for the Utilities. Carrying or possessing firearms or weapons in Utilities vehicles is also prohibited.

This policy extends to any situation in which employees are acting in the course and scope of their employment including while utilizing personal vehicles or attending work-related training. However, it is not a violation of this policy to lawfully carry a firearm in a personal vehicle that is lawfully encased and secured. Employees may be disciplined for violations of this policy up to and including termination of employment.

A narrow exception is made to this policy, which is applicable only in connection with attendance at the Minnesota Municipal Utilities Underground School ("MMUA Underground School") or the Minnesota Municipal Utilities Overhead School ("MMUA Overhead School"). Both of these events are held at the MMUA Training Center in Marshall, MN. An employee is not prohibited from carrying or possessing a firearm or other appropriate weapon in a situation where, in connection with his or her Utilities employment, the employee is using a Utilities vehicle while attending MMUA Underground School or MMUA Overhead School --- if and only if the employee's participation in the MMUA Underground School or MMUA Overhead School includes a hunting or target-shooting activity, and provided that the employee is otherwise lawfully permitted to carry and possess a firearm. This exception applies only for the duration of the specific MMUA event and the period of the employee's travel to and from the event.

12. EMPLOYEE SAFETY

Safety is of paramount importance to the Utilities. All employees and managers must follow the regulations and laws of the State of Minnesota and rules of the Utilities governing the safety of employees and the public. If employees have questions or concerns about issues affecting safety, they should immediately discuss them with their supervisor,

any Utilities manager or Director, the Human Resources Representative, or the relevant public safety authority.

Employees are required to report accidents resulting in personal injuries and/or vehicle, equipment, or property damage to their supervisor immediately.

> Personal Injuries. Immediately report to your supervisor all accidents and injuries occurring within the course of your employment. The supervisor shall submit a First Report of Injury and a Supervisor's Report of Injury Form to the Human Resources Representative within twenty-four (24) hours of receiving such report from you.
>
> Vehicle, equipment, or property damage accidents. Immediately report to your supervisor all damage to Utilities property. The supervisor should submit documentation regarding the incident to the Utilities' Finance Manager within twenty-four (24) hours of the time of the damage or accident. A copy of the Minnesota Motor Vehicle Accident Report must be submitted for all vehicle accidents.

The Utilities will provide necessary safety equipment to employees. This may include:

- One pair of safety glasses at the time of employment. The employee shall provide the correct prescription for the safety glasses.
- The Utilities will pay the cost of new safety lenses, upon a change in the prescription. If needed, frames will be replaced as needed contingent upon supervisor approval.
- Safety glasses that are broken or damaged while the employee is on the job will be replaced by the Utilities.

13. COMMITMENT TO A DRUG AND ALCOHOL-FREE WORKPLACE

The Utilities is committed to providing a safe, healthy, and productive drug and alcohol-free workplace.

To promote this goal, employees and others are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner. Being under the influence of alcohol or illegal drugs (as classified under federal, state, or local laws), including marijuana, while on the job poses serious health and safety risks to employees and members of the public/others, which is not tolerated. As a condition of employment employees must adhere to the terms and conditions of this policy.

Prohibited Conduct

The Utilities expressly prohibits the following activities at any time that the employee or other person is either (1) on the Utilities' facilities (whether or not the employee is working) or (2) on duty or conducting Utilities business (either on or away from the Utilities'

facilities) (the locations in (1) and (2) above are collectively referred to as the "Workplace" under this policy):

- The use, abuse, or being under the influence of alcohol, illegal drugs, or other impairing substances.
- The possession, sale, purchase, transfer, or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the employee or drug-related paraphernalia.
- The illegal use or abuse of prescription drugs.

While the use of marijuana has been legalized under the laws of some states for medicinal uses, it remains an illegal drug under federal law and its use in, and as it impacts, the Workplace is prohibited by the Utilities' policy. The Utilities does not discriminate against employees on the basis of their off-duty use of medical marijuana that is in compliance with any applicable state marijuana law. However, employees may not consume or be impaired by marijuana while in the Workplace, even if the employee has a valid prescription for medical marijuana.

Nothing in this policy is meant to prohibit the appropriate use of over-the-counter medication or other medication that is legally prescribed to the employee, to the extent that it does not impair an employee's job performance or safety or the safety of others. Employees who take over-the-counter medication or other medication legally prescribed to the employee should inform their immediate supervisor if they believe the medication may impair their job performance, safety, or the safety of others or if they believe they need a reasonable accommodation **before** reporting to work while under the influence of that medication. For more information on how to request a reasonable accommodation, please refer to the Utilities' Reasonable Accommodation policy.

A violation of this policy is subject to disciplinary action, up to and including termination of employment or contractual relationship, and/or required participation in a substance abuse rehabilitation or treatment program as may be provided by applicable state law. Such violations may also have legal consequences.

Utilities-Sponsored Events

From time to time, the Utilities may sponsor in-person or remote social or business-related events at which alcohol is served and/or usage is permitted. This policy does not prohibit the use or consumption of alcohol at such events. However, if employees choose to consume alcohol at such events, they must do so responsibly and maintain their obligation to conduct themselves properly and professionally at all times with colleagues and/or current or prospective clients.

Workplace Searches and Inspections

In order to achieve the goals of this policy and maintain a safe, healthy, and productive work environment, the Utilities reserves the right at all times to search employees at the Workplace, as well as their surroundings and possessions, for substances or materials in violation of this policy. This right extends to the search or inspection of clothing, desks, bags, briefcases, containers, packages, boxes, lunch boxes, and any vehicles on or in the

Workplace where prohibited items may be concealed. Employees should have no expectation of privacy while in the Workplace, except in restrooms, locker rooms, or dressing areas.

Drug Testing

Applicants and Utilities employees are subject to certain kinds of drug testing in accordance with applicable law and Utilities policy. Separate policies are maintained for CDL drivers and for other employees and are distributed at the start of employment and periodically throughout employment. Copies of the Utilities' drug testing policies are available upon request from Human Resources and the Administrations Director.

14. EXPOSURE TO HAZARDOUS SUBSTANCES

Any employee routinely exposed to hazardous substances or harmful physical agents as defined in the Minnesota Employee Right to Know Act (MINN. STAT. § 182.675) shall be trained before being assigned or reassigned work exposing the employee to such substances or agents and shall be given training annually thereafter. Training shall include an explanation of how and where information about hazards is stored in the workplace, how the hazards are labeled, and where to obtain specific information. The supervisor (or other designee) shall provide for such training and for compliance with the Minnesota Employee Right to Know Act, including the establishment of specific policies to insure compliance with the state law and regulations. An employee acting in good faith has the right to refuse to work under conditions which the employee reasonably believes present an imminent danger of death or serious physical harm to the employee.

15. SOLICITATION AND DISTRIBUTION

The Utilities intends to establish and maintain a safe and productive business environment and to prevent interference with the work of its employees. This policy prohibits solicitation and the distribution of literature on Utilities property by non-employees. In addition, this policy addresses the limited circumstances under which solicitation and the distribution of literature on Utilities property by employees will be permitted, and it addresses the wearing and display of items, posting material on Utilities bulletin boards, and certain uses of the Utilities' computer, email, and other resources.

The term ***solicitation*** means any oral or electronic communication that encourages, advocates, demands, or requests any position or action or contribution of money, time, effort, personal involvement or membership in any organization or the sale or purchase of any merchandise or service.

The term ***distribution*** means posting, handing out, or otherwise distributing any written material in hard copy.

Non-Employees

Non-employees of the Utilities are strictly prohibited from engaging on Utilities premises in: i) trespassing; ii) the solicitation of any person; and iii) the distribution of any written material. Any violation or attempted violation of this policy by a non-employee should be reported immediately to the on-site supervisor.

Employees

Employees are prohibited from solicitation, for any purpose, during the working time of any employee involved in making or receiving the solicitation.

Employees are prohibited from distribution of written material in any work area at all times. Employees are also prohibited from distributing written material anywhere during the working time of any employee actively engaged in the distribution.

This policy does not prohibit an employee from performing solicitation or distribution in a non-work area on behalf of a third party that is not engaged in commercial, for-profit, or political activity, provided the employee has received the advance approval of the on-site supervisor to engage in such solicitation or distribution.

Related Policies

- Utilities Bulletin Boards. The Utilities in its discretion may permit employees to distribute written material by posting on Utilities bulletin boards in accordance with this policy, provided that any material for such posting must be reviewed and approved in advance by a Utilities manager or Director, who may consult with the Human Resources Representative before making a decision whether or not to allow the posting.

- Solicitation and Distribution on Utilities Computer and E-Mail Systems. Employees and non-employees are prohibited from using Utilities computer systems and other property and resources, including the Utilities e-mail system, for solicitation or distribution, except in connection with a Utilities-sponsored activity or, with advance approval of the on-site supervisor, on behalf of a third party that is not engaged in commercial, for-profit, or political activity.

Violation of This Policy By an Employee

Any employee in violation of this policy will be subject to disciplinary action up to and including discharge.

16. ELECTRONIC COMMUNICATIONS: INTERNET, E-MAIL, AND SOCIAL MEDIA

This policy covers all types of electronic communications. All Utilities computers, software, servers, computer systems, cell phones and telephone systems and other electronic services arranged for by the Utilities ("Electronic Communications Systems" or "ECS") are the property of the Utilities and are intended and expected to be used for Utilities business. While occasional use of these systems for personal, non-business use is acceptable, employees must demonstrate a sense of responsibility and may not abuse such privileges. Communications of any kind by a Utilities employee over the Utilities' ECS, whether work-related or personal, is subject to monitoring and review by the Utilities at any time, with or without notice or permission. Employees should have no expectation of privacy in the use of these systems. The use of passwords on these systems does not mean that messages stored on them are private or confidential, either from the Utilities or others.

This policy covers all usage and communications by employees in, on or over the Utilities' Electronic Communications Systems, including e-mail, voice-mail, Internet and social media, whether such usage or communications are from the Utilities' offices or from a remote location. This policy also covers electronic communications not done in, on, or over the Utilities' ECS but in which the employee identifies himself or herself as a Utilities employee. Violations of this policy may result in discipline, up to and including termination.

All communications sent by employees over the Utilities' ECS must be respectful in tone and professional. Communications over the Utilities' ECS may not be used for transmitting, retrieving or storing any communications of a discriminatory or harassing nature, derogatory to an individual or group, obscene, or which are of a defamatory or threatening nature. Such communications should not be used for "chain letters" or for any purpose which is illegal or against Utilities policy.

Employees must respect other people's electronic communications. Employees may not obtain unauthorized access to another's e-mail or voice-mail messages, except pursuant to direction from a Utilities manager or Director for the purposes specified above.

Employees may not use the e-mail or voice-mail systems in a way that causes congestion on the systems or that significantly interferes with another employee's ability to use the systems.

GENERAL GUIDELINES APPLICABLE TO ELECTRONIC COMMUNICATIONS, INCLUDING COMMUNICATIONS OVER SOCIAL MEDIA

- In general, the Utilities encourages the use of e-mail and other available electronic communications with residents, consultants, and others as a means of providing services more effectively and efficiently. Internet e-mail is provided and is intended for the Utilities' business use.

- Tact counts.
- Humor might not work. Attempts at humor in electronic communications are especially difficult to carry off successfully, so be careful and "when in doubt, leave it out." Take extra steps to make your intent clear in written communications.
- Never gossip, don't provide confidential personal information about yourself or someone else, and refrain from emotional responses.
- Do not communicate with residents, consultants or others using e-mail without first obtaining their consent to email communication. Employees at all times must use discretion in communicating sensitive information and should select communications methods that will protect the confidential and/or sensitive nature of such information.
- Communications over the Utilities' ECS may be identifiable and attributable to the Utilities. Do not send electronic communications that you would not send, or would not be authorized to send, over Utilities letterhead.
- The Utilities' ECS may not be used to participate in social media or other electronic forums except for approved Utilities business, professional development, or business development purposes.
- The Utilities' ECS may not be used to access pornographic or obscene material or other offensive or inappropriate content.
- Internet access is provided primarily for you to *retrieve* information. Do not use the ECS to *post* information, comments or statements, except for prior-approved Utilities business, professional development or Utilities business development purposes.
- An Internet site may request information about you in order to build a user profile or mailing list. Refuse any such requests when using the Utilities' ECS. Respond "no" to any suggested download, upgrade, or enhancement of software. Do not make any purchases or access a web site that charges a fee, except for approved Utilities business purposes.
- Employees may not send electronic communications over the ECS that attempt to hide the identity of the sender or that represent the sender as someone else or someone from a different Utilities or a company.
- Employees must respect all copyrights and intellectual property rights of others' materials, and may not copy, retrieve, modify or forward copyrighted, patented or trademarked materials except as permitted by the owner or as a single copy for reference use only.

- Internet and other ECS usage is not confidential. The Utilities receives detailed monthly reports on Internet usage by individual employees and the Utilities' software tracks each Internet site you visit.

Bandwidth Conservation

The Utilities uses the Internet for a number of key Utilities functions. To ensure sufficient bandwidth to perform these functions, the Utilities has implemented a variety of bandwidth conservation measures. These measures include blocking websites that have no instructional or administrative value. Employees may not use Internet radio stations for casual listening and/or background music. Employees may not download music or video files from the Internet.

Employees who violate any of the guidelines may be subject to disciplinary action including, but not limited to, written warnings, revocation of access privileges and termination of employment.

17. SUPPLEMENTAL EMPLOYMENT

The Utilities does not restrict employees from engaging in outside employment. However, the Utilities expects regular full-time employees to consider Utilities work their primary employment. No Utilities employee may engage in outside employment that interferes with the performance of his/her duties with the Utilities, that represents a conflict of interest, or that may influence or bias an employee's job related decision making ability. The Utilities will not change an employee's work hours to facilitate the scheduling of any outside employment. If a supervisor believes an employee's outside employment is detrimental to the Utilities and his/her position, the employee may be asked to discontinue the outside employment. If an employee is asked to discontinue outside employment and fails to do so, he/she may be subject to discipline up to and including termination.

Fire Department Participation

Employees are allowed to participate as a part-time paid firefighter in a Fire Department. A non-exempt employee will be allowed to respond to fire calls as approved and determined by his/her department supervisor, based on the work assignments and responsibilities of the employee and department. Non-exempt employees responding to fire calls during scheduled work hours will need to use vacation time for time away from work, and exempt employees need to use vacation time or make-up time for the same scenario. An employee may not respond to fire calls while on-call for the Utilities.

18. REPORT OF PERSONNEL CHANGES

The Utilities attempts to maintain complete and accurate personnel information on its employees. It is the responsibility of each employee to notify the office of the Utilities when changes occur, including:

- Name (through marriage or otherwise);
- Address;
- Beneficiaries for life insurance and retirement;
- Telephone number;
- Person to contact in case of emergency; or
- Other changes which may affect benefits coverage.

19. ATTENDANCE

Regular attendance is an essential function of every job with the Utilities. Every Utilities employee has an important role to play in maintaining a productive workplace. Therefore, it is essential that all employees report to work as scheduled every day. Unsatisfactory attendance, including reporting late to work and leaving work early may result in disciplinary action up to and including discharge.

If an employee must be absent from work for any reason, other than approved time off, the employee must notify his/her immediate supervisor at least thirty (30) minutes prior to the start of his/her normal working hours. If an emergency prevents the employee from notifying his/her supervisor at such time, the employee must call his/her immediate supervisor as soon as possible during the workday.

20. DISCIPLINE, DISMISSAL & LAY OFF

Discipline. The Utilities retains the right to take disciplinary and other action as it believes appropriate to manage employee performance and workplace conduct. The type and level of discipline imposed will be at the Utilities' discretion based upon the nature and severity of the issue and the circumstances as a whole.

Examples of discipline and other action that may be taken to manage performance and workplace conduct include, but are not limited to:

- Documented Coaching and Counseling
- Oral reprimand
- Written reprimand
- Performance Improvement Plan
- Suspension
- Demotion

- Termination.

Discipline and other action may be used in any order or combination in the discretion of the Utilities. In some cases, one or more disciplinary actions will be taken before termination; in other cases, termination will be immediate.

While the Utilities strives for consistency, the level of discipline taken in any given case does not establish a controlling precedent for future circumstances.

Probation and Dismissal. All new employees shall be on probation for a period of one hundred eighty (180) days. Continued employment during this period shall rest solely with the discretion of the Utilities Commission. After that period, the employee shall attain regular status subject to the following:

> *Employees on regular status may be dismissed only for cause, which may include, but is not limited to, the following: Conduct in violation of or inconsistent with Utilities policy, including but not limited to any and all policies set forth in this Handbook; conduct or language that is improper or inappropriate in the discretion of the Utilities; insubordination; failure to do the work assigned in a manner satisfactory to the Utilities; dishonesty or stealing; and the sale, transfer of, or possession, or being under the influence, of intoxicating beverages or controlled or mood altering substances while on the job.*

Layoff/Reduction in Force. The Utilities reserves the right and sole discretion to eliminate positions and/or reduce the hours associated with a position for any legitimate business reason, with or without cause.

21. JOB POSTING

As position vacancies occur at the Utilities, the position's job description will be posted in a prominent location to inform employees of the vacancy. Employees in good standing that wish to be considered for the position are encouraged to contact the appropriate decision-maker(s) indicated on the posting. The Utilities may also advertise the vacancy to attract external candidates.

The Utilities retains all its managerial rights and has the sole discretion to decide which candidate is best qualified to fill a vacant position, whether or not the candidate is a current Utilities employee.

22. PERFORMANCE REVIEWS

An employee's immediate supervisor or department head normally will conduct a performance review on an annual basis. Employee performance, however, may be coached or reviewed formally or informally at any time.

Performance reviews are an opportunity for employees, management, and the Utilities to assess an individual's job performance and to assure the continuing improvement of every employee's performance. The performance review system is designed to:

- Ensure that quality services are provided to the public at the least possible cost;
- Motivate and develop employees to their fullest potential;
- Clarify roles and mutual expectations of supervisors and employees;
- Promote open and ongoing communication between employees at all levels, including feedback from subordinates to supervisors; and
- Assist in determination of whether employees are meeting the performance standards for their position.

The performance review will usually be documented in writing as well as delivered orally to the employee in person. Completed performance review forms should be signed by the employee and the supervisor or other Utilities manager, Director or other representative delivering the review to the employee. These completed forms are generally maintained in the employee's personnel file.

Performance Metrics Incentives

The Utilities uses a Performance Metrics Incentive system to annually award performance-based compensation to eligible employees (those currently employed who are in good standing). An employee must remain employed by the Utilities at the time such award is to be made in order to receive the incentive.

WAGES AND HOURS

23. WORK HOURS, OVERTIME, AND COMPENSATORY TIME

General Policy

For purposes of timekeeping and overtime calculations, the regular workweek at the Utilities runs from Tuesday through Monday.

Non-exempt employees are paid on the basis of hours worked. Exempt employees are paid on a salary basis; their compensation is not based on the number of hours they work.

Overtime & Overtime Compensation

Overtime is earned and compensated as follows.

All non-exempt employees earn overtime for all time worked in excess of forty (40) hours during the workweek (Tuesday – Monday). Regular field workers earn overtime for regular work performed in excess of eight (8) hours in a day.

Earned overtime will be compensated a rate equivalent to one and one-half times the employee's regular rate of pay; except that time worked on Sundays and designated Holidays will be compensated a rate equivalent to two times the employee's regular rate of pay.

Generally, overtime compensation is paid directly to the employee on their regular payroll check for the period in which the overtime is earned.

Alternatively, for up to 40 hours of earned overtime per year, non-exempt employees may elect to receive and accrue Compensatory Time ("Comp Time") in lieu of direct overtime pay. Comp Time is accrued and paid at the same rate as other earned overtime, i.e., at one and a half times the employee's regular rate of pay; or two times the regular rate for time worked on Sundays or designated holidays. Receipt and Use of Comp Time is explained in more detail below.

Note. Further, if a field worker uses sick or vacation time during the regular eight-hour day, this will not affect the earning of overtime for those hours worked in excess of the regular workday. Also, when a field worker is mandated to start work prior to the normal scheduled workday, the hours worked outside of the regular scheduled workday will be paid at a rate of one and one-half time the employee's regular rate of pay; or two times the regular rate for time worked on Sundays or designated holidays; or the employee may elect to accrue Comp Time for the earned overtime as described below.

The eight hour and double time provisions above do not apply to travel and training time spent away from the regular workplace, but the forty-hour overtime pay provision does apply in all cases where an employee is engaged in activity related to and/or required in connection with his or her Utilities employment.

Exempt employees are salaried and do not earn or receive overtime or, in turn, Comp Time.

Compensatory Time

Compensatory Time ("Comp Time") is paid time off for earned overtime in lieu of direct pay. Comp Time is accrued at the rate of one and one-half hours (or, two hours for overtime earned for work on Sundays or designated holidays) for each hour of overtime earned.

Comp Time may be accrued and taken in lieu of direct overtime pay in accordance with the following rules.

- When an employee earns overtime they may elect to accrue Comp Time in lieu of direct pay for the overtime.

- Accrual of Comp Time is subject to a cap of 40 hours per calendar year. Once an employee has accrued 40 hours of Comp Time in a calendar year, no further Comp Time may accrue in that calendar year, even if the employee has used some or all of the 40 hours previously accrued. Once the 40-hour cap is reached, all further earned overtime will be paid directly on the paycheck for the period in which it is earned.

- When an employee elects Comp Time they will not receive any pay for the hour of overtime worked on their paycheck for the period in which the overtime is earned. Instead, the employee will accrue one and a half hours (or, two hours for overtime earned for work on Sundays or designated holidays) of Comp Time to be used at the employee's election within the calendar year before December 15.

- Under no circumstances will Comp Time ever be forfeited. Accrued Comp Time that has not been used by December 15 will be paid out in full on the last payroll check of the calendar year. Under no circumstances will Comp Time carry over to a following calendar year.

- In order to elect to accrue Comp Time in lieu of receiving direct overtime pay in the current payroll period, an employee must mark their timesheet for "Comp Time," clearly indicating the number of earned overtime hours they wish to accrue as Comp Time in lieu of direct overtime pay.

- In order to use Comp Time, employees are to follow the same procedures as apply to other paid time off and leave requests, including making specific arrangements with their supervisor. Use of Comp Time is subject at all times to the operating needs of the Utilities.

- If at the time an employee separates from employment with the Utilities they have accrued unused Comp Time, all such Comp Time will be paid out at the hourly pay rate the employee is earning at the time of separation.

24. EMPLOYEE CLASSIFICATIONS

The following definitions are provided to assist employees in understanding their employment classification and benefits eligibility. Although employees generally will be classified as one of the following, they should be aware that their classification may change at any time as the Utilities considers appropriate.

All employees are designated as either non-exempt or exempt from federal and state wage and hour laws. Non-exempt employees are covered by specific provisions of the wage and hour laws, including overtime pay. Exempt employees are excluded from specific provisions of the wage and hour laws, including the overtime provisions. Generally, exempt employees are engaged in managerial, professional, administrative, or executive positions and are paid on a salaried basis.

It is our policy to fully comply with federal and state wage and hour laws. In keeping with this commitment, we will pay exempt employees their full salary (or salary plus vacation to equal the amount of the full salary) for any workweek in which they perform work, regardless of the number of days or hours worked, subject only to deductions that are permitted by law. Full day deductions from pay that are permitted by law include, for example, deductions for personal time off, sick days before or after eligibility for paid sick leave, or for infractions of written workplace conduct rules including but not limited to any rule or policy set forth in this Handbook. Full or partial day deductions may be made from the salaries of exempt employees for infractions of safety rules of major significance and in certain other limited circumstances.

Employees are classified according to the following definitions:

Regular Full-Time Employee. A regular full-time employee typically works 40 or more hours per week, and is not classified as a temporary worker.

Regular Part-Time Employee. A regular part-time employee typically works fewer than 40 hours per week, and is not classified as a temporary worker.

Regular Field Worker. An employee whose regular assigned position involves performing a significant portion of his or her work outside of the Utilities' physical facilities.

Exempt Employee. An employee whose duties result in exclusion of the employee's work from coverage under the minimum wage and/or overtime provisions of the wage and hour laws.

Non-Exempt Employee. An employee whose duties result in coverage of the employee's work under the minimum wage and/or overtime provisions of the wage and hour laws.

Utilities Manager. Any employee of the Utilities, or other individual identified by the Commission, who is a Utilities supervisor, superintendent, manager, director, representative or other individual who is generally identified to employees by Utilities policy, practice or communication as having managerial, supervisory, or administrative authority to act on behalf of the Utilities, regardless of whether such authority is limited or subject to the authority of others in the Utilities' organizational structure.

***Temporary Worker*:** A temporary worker typically is hired for a specific period of time. Generally, temporary workers are hired as interim replacements, to supplement the work force, and/or to assist with specific projects. Temporary workers often will be informed of an estimated duration of their assignment, although either the worker or the Utilities may end the work relationship at any time. Temporary work that continues beyond an estimated duration in no way implies a change in the worker's status. Temporary workers retain their temporary status unless and until they are specifically notified by the Utilities of a change.

25. TIME REPORTING POLICY

General Policy

The goal of the time reporting system is the accurate and timely reporting of time worked (by job or account) and time off (by category). This is essential for (1) guaranteeing that employees are paid correctly and that their leave accumulations are accurate, (2) monitoring actual performance against budgetary goals, and (3) ensuring labor costs are properly reported.

Each employee is responsible for the accurate submission of his or her own personal time reporting, and each supervisor is responsible for reviewing the employee's compliance with this time reporting policy.

Recording Time

Non-exempt employees are required to record and submit the following on their timecard:

- Amount of Time Worked in increments of the nearest one-quarter hour;
- Description of the activities performed during the time worked;
- Identification of the account to be charged (accounting system designation); and
- The work order(s) to which the time applies (as appropriate).

The purpose of the description of activities during the time worked is to document for employee performance and client accountability purposes how an employee's work time was spent. Work orders are utilized for specific projects to track time and labor for billing purposes, or capitalization projects.

Frequency

Non-exempt employees are required to fill out their timecards daily. It is preferred that employees fill out their timecards at the end of each completed workday, but timecards

may be completed within the first hour of arriving at work on the subsequent workday. This is not intended to conflict with payroll deadlines for paperwork.

Timecards may be checked periodically throughout the pay period for completeness and accuracy. It is understood that timecards must be available for, and are subject to review/audit by, the employee's supervisor at any time.

Time Deductions for Breaks

Field workers generally will receive one 15-minute paid break in the morning and one in the afternoon; and will receive a 30-minute unpaid lunch break during each shift.

Office employees receive a 60-minute break for lunch, 30 minutes of which is paid in lieu of having two fifteen-minute breaks, morning and afternoon. The other 30 minutes of the office employees' 60-minute lunch break is unpaid. *Please see below under "Ensuring Accuracy of Timekeeping Reports"* for important information about pay practices affecting unpaid lunch breaks.

Ensuring Accuracy of Timekeeping Reports

Non-exempt employees are responsible for, and must take steps to ensure, the accuracy and completeness of time reporting data collected. This is critically important because the Utilities relies on such submissions in carrying out its duty to properly pay wages and other forms of compensation. Furthermore, knowingly submitting or approving inaccurate time reporting data is a violation of policy and may subject the person to disciplinary action.

***PLEASE NOTE*:** By submitting time reporting data a non-exempt employee is attesting to the accuracy of the time data reflected on the timecard and/or in the report.

PLEASE NOTE FURTHER: Because of the regularity of our break and work schedules, the Utilities automatically deducts scheduled unpaid lunch breaks. If an employee does not receive the 30-minute unpaid lunch break on any given shift, the Utilities will pay you for that 30-minutes. We can do so, however, only if you notify us that you did not get your break. ***It is your responsibility to provide this notice to your supervisor.*** A pattern of not taking unpaid lunch breaks may subject an employee to discipline; but it will never result in the Utilities failing or refusing to pay for such time.

Special Note About Work Performed Outside of Scheduled Times and Places

Each non-exempt employee must accurately record and properly report all time spent performing work for the Utilities, regardless of the location where such work is performed. Employees generally should not perform work at times or places outside of the times and places they are scheduled to work by the Utilities. If a need for work outside of scheduled times or places is, or should be, anticipated, the employee should seek permission to perform such work from Utilities management in advance, and if permission is not secured in advance such work should generally not be performed. Performing work outside of

scheduled and approved times and places may result in discipline; it shall not under any circumstances, however, result in an employee not being paid for time spent performing Utilities work. In the case of a non-exempt employee who is on call, the on-call stipend paid to the employee covers all compensation due for calls taken as to which there is no call out.

If unanticipated, time-sensitive, or urgent work needs to be performed at times and/or places outside of those scheduled by the Utilities, the non-exempt employee should perform only so much of the work as is necessary to address the immediate need. Regardless of whether work is anticipated or of an urgent nature, and regardless of whether advance permission has been received to do such work or not, ***all time spent by a non-exempt employee actually performing Utilities work must be accurately recorded and properly reported to Utilities management.***

Further to the Special Note above: Time Worked Remotely

Any and all time worked remotely, including time spent accessing Utilities systems or data for the benefit of the employer, must be recorded and reported to the Utilities in order to assure proper compensation, in accordance with the applicable provisions for exempt and non-exempt employees of this Time Reporting Policy and the Fair Pay Policy below in Section 27.

26. REMOTE WORK POLICY

Purpose

This policy governs the practice of working remotely, other than for field work, from locations other than a Utilities facility, including an employee's home. Working remotely is voluntary for the employee and at the sole discretion of Utilities management.

Elk River Municipal Utilities is committed to providing excellent customer service for our customers, as well as attracting and retaining critical employee talent, increasing productivity and efficiency and saving on workspace and costs. A remote work policy can help provide these benefits. Working remotely should never be allowed to adversely affect external or internal service or operational needs of the Utilities.

General Guidelines

Remote work as defined for this policy means working some or all scheduled hours and/or performing some or all job duties from a location not on Utilities premises:

- Working all scheduled hours off-site, or
- Working some scheduled hours off-site and some on Utilities premises.

Employees may not access Utilities' systems or data remotely without first obtaining written permission.

Regardless of location, a remote worker remains responsible for all job duties, responsibilities and obligations associated with their position, even if such duties require the employee to come into a Utilities facility while performing work remotely. Employees and supervisors should seek to find solutions to maximize benefit to the Utilities and to the employee.

Remote work arrangements will be considered by the Utilities on an individual, case-by-case basis. A Remote Work Agreement form must be completed and approved by the Supervisor and the employee before an employee will be permitted to begin a remote work arrangement.

Because the primary focus of the Utilities is always on serving the needs of customers, remote work arrangements may not be feasible for some positions. Field workers, in particular, generally have duties that cannot be performed remotely. Remote work arrangements may vary depending on the position and department. Supervisors are responsible for determining remote work arrangements and schedules within their departments, subject to the approval of the General Manager or their delegate.

The Utilities has sole discretion in considering an employee request to work remotely and setting remote work policy for a particular department, employee group, or employee. In exercising this discretion the Utilities may consider the following factors and guidelines and any other relevant matters:

- The length of an employee's continuous, regular employment and degree of success performing their job duties.
- Remote work requires the same focus on job duties as if the employee were in the office; repeated interruptions from household members, pets or other distractions may disqualify an employee from remote work.
- There must be adequate department coverage during all standard hours.
- There must be no adverse impact on internal or external customers.
- There must be no known safety issues associated with working remotely.
- There must not be any known security issues with technology or otherwise.
- Employees working under a Performance Improvement Plan are not eligible for remote work.
- Internal and external customers must be given direction on who to contact in the employee's absence if the employee is not available during all business hours.
- A remote work schedule must not result in additional overtime for the employee or co-workers.
- The employee will not be allowed to work outside the State of Minnesota except when travelling on Utilities business or during time when the employee is otherwise scheduled to be away from work.
- The Utilities may end an employee's remote work arrangement at any time.
- There may be other or additional considerations when an employee with a qualifying disability requests remote work as a reasonable accommodation. The

Utilities will follow its Reasonable Accommodations Policy and consider such requests on a case by case basis.

Employees and supervisors may consider various types of scheduling options for efficiency and productivity in remote work arrangements, including:

- Entire weeks on site or working remotely.
- Certain days on site; remaining days working remotely.
- Whether to have entire teams of employees on site on the same day(s) on a regular basis.

Employees should expect to remain flexible as to their days and hours for work onsite and at remote locations in accordance with the particular duties of their job and the needs of the Utilities. Remote work arrangements remain subject at all times to change by the Utilities.

Work Hours, Calendars and Meetings

An employee with a remote work arrangement must agree to be accessible by phone, virtual computer software and email as needed during their scheduled working time. Depending on the employee's position and the needs of the Utilities, the work schedule may include core hours during which the employee must be available or the schedule may include greater flexibility for the employee to work outside the Utilities' normal business hours.

Non-exempt remote workers (those who are classified as not exempt from the overtime requirements of the Fair Labor Standards Act (FLSA)) are required to record all hours worked in a manner designated by the Utilities as discussed in Sections 25 and 27 of this Handbook. Overtime during a remote work arrangement is subject to the same requirements for approval in advance as all other overtime.

Exempt employees, (those who are classified as exempt from the overtime requirements of the FLSA must follow the Utilities' applicable payroll and timekeeping policies as discussed in Sections 25 and 27 of this Handbook and are generally accountable for their normal work week hours.

All remote workers must use sick, vacation or compensatory time to cover periods of time off in accordance with the Utilities' normal policies.

Remote workers are responsible for keeping their electronic calendars up to date and accessible to anyone in the Utilities during all scheduled work hours. Appointments for doctor or other private appointments can be marked as "private" or "personal time out of office." Please include travel time as needed to help others schedule meetings.

Remote workers must attend all required meetings, including those which normally would be held on a remote workday, and are also responsible for obtaining information from

optional meetings when such meetings impact their work with the Utilities. Supervisors are responsible for setting expectations for their work teams regarding whether meeting attendance will be in-person, remote or hybrid, considering these guidelines:

- Meetings of a sensitive, highly interactive, or complex nature are best held entirely in-person (e.g., brainstorming, troubleshooting, project "kick-off" meetings, performance reviews, disciplinary meetings).
- In-person business meetings with others may not be held in an employee's home.

Work Environment and Technology

For employees with a remote work arrangement, the employee must establish an appropriate work environment to avoid problems associated with safety or poor ergonomics. The Utilities will not be responsible for costs associated with initial setup of an employee's remote office such as remodeling, furniture, lighting, repairs, or modifications to the office space. Employees will be offered appropriate guidance in setting up a workstation designed for safe, comfortable work.

The Utilities may provide employees with appropriate technology (e.g., computer, monitor(s), docking station, mouse, keyboard, headset) for one location, either on-site at Utilities officers or off-site. Employees who work in a hybrid remote work arrangement (both on and off site) are responsible for providing the technology required to work remotely effectively and efficiently. This includes a reliable internet connection. All Utilities -owned equipment must be returned upon termination of the remote work arrangement or at termination of employment.

The Utilities will supply the employee with the appropriate office supplies (pens, paper, etc.) for their assigned job responsibilities, which the employee must pick up on site. An employee may be required to come into the office in order to perform some duties such as mailing, scanning and photocopying.

The Utilities may not provide reserved on-site office space for employees with remote work arrangements.

Utilities Employment Policy and Benefits Coverage

The Utilities' normal policies and procedures (for example, computer use, data practices, respectful workplace, outside employment, etc.) apply to employees working remotely. Employees should ask their supervisors if they have any questions about whether or how a particular Utilities policy applies to a remote work environment.

An employee working remotely is generally covered by the Utilities' Workers' Compensation insurance while acting in the course and scope of employment and must report any injury to their supervisor as soon as possible.

27. FAIR PAY POLICY

Elk River Municipal Utilities (referred to in this Fair Pay Policy as the "Employer" or the "Utilities") is committed to fair compensation for its employees as explained in this Fair Pay Policy. Specifically, it is the policy and practice of the Employer to accurately compensate employees and to do so in compliance with all applicable state and federal laws. The Utilities will never knowingly fail or refuse to pay an employee the full amount of compensation to which he or she is entitled by law for work performed on behalf of the Utilities.

ALL EMPLOYEES

Protection of Employee Rights

The Employer will protect the right of each employee to receive compensation according to the law. Violations of this Fair Pay Policy, whether by a managerial or non-managerial employee, may result in disciplinary action, if appropriate under the circumstances, up to and including termination of employment.

The Employer will not tolerate or allow any form of retaliation against individuals who report alleged or suspected violations of this policy or who cooperate in the Employer's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

Record Your Time And Review Your Pay Stub

To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time and review your paychecks promptly to identify and to report all errors.

The Employer makes every effort to ensure that its employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes happen, the Employer will promptly make any corrections necessary to provide you with the pay to which you were entitled and as otherwise required by law. To assist the Employer in its efforts, please review your pay stub when you receive it to make sure it is correct. If you believe a mistake has occurred or if you have any questions, please use the following procedure.

How to Raise a Question or Concern about your Pay or a Payroll Deduction

If you have questions about your pay or any deduction from your pay, please immediately contact your supervisor/manager. If you believe your paycheck has been subjected to an improper deduction or that the pay you have received does not accurately reflect the compensation you are entitled to for your work, you should immediately report the matter to your supervisor/manager, the Finance Manager, or the Payroll Specialist.

The Employer will fully investigate every such report, including by reviewing appropriate time and payroll records and interviewing persons responsible for payroll and/or payroll deductions. If you have been paid incorrectly or if the Employer determines that a deduction was improperly made, the Employer will reimburse you as promptly as possible, which will be no later than two pay periods from the time you report the suspected problem. The individual(s) responsible for the error will be investigated further to determine if the error was an isolated incident or whether instead it may be part of a pattern of conduct that requires further action on the part of the Employer.

Regular Attendance is an Essential Job Function and Your Attendance Record is a Performance Issue

Regular attendance is an essential function of jobs with the Employer. The failure of any employee, whether exempt or non-exempt, to perform according to the Employer's expectations, including any failure by an employee to meet the Employer's attendance standards, may result in disciplinary action up to and including termination of employment. For these and other reasons, it is important for employees to accurately record the time they work for the Employer.

NON-EXEMPT EMPLOYEES

If you are classified as a non-exempt employee, the Employer relies on your use of the timekeeping software to maintain an accurate record of the total hours you work each day. The timekeeping software is designed to reflect all regular and overtime hours worked, any absences, late arrivals, early departures and meal breaks. If any error or inaccuracy occurs in connection with your use of the timekeeping software it is your responsibility to notify your supervisor/manager to correct the error or inaccuracy. When you receive each pay check, please verify immediately that you were paid correctly for all regular and overtime hours worked during each work week.

You should not work any hours that are not scheduled or requested of you by the Employer unless you are authorized to do so by your supervisor. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless you are authorized to do so and you record such time on your time card. Non-exempt employees are strictly prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you perform but fail to report on your time card. Any employee who fails to report or inaccurately reports hours worked will be subject to disciplinary action, up to and including termination.

It is a violation of the Employer's policy for any employee to falsify a time card, or to alter another employee's time card. It is also a serious violation of Employer policy for any employee or manager to instruct another employee to incorrectly or falsely report hours worked or alter another employee's time card to under-report or over-report hours worked. If any manager or employee instructs you to either (1) incorrectly or falsely under-report or over-report your hours worked, or (2) alter another employee's time records to

inaccurately or falsely report that employee's hours worked, you should report the situation immediately to the Payroll Specialist, the Finance Manager, or your supervisor/manager.

On Call Time For Non-Exempt Employees

Non-exempt employees in certain positions may be scheduled to be on call for duty of various kinds. Compensation for time spent on call by non-exempt employees is generally subject to applicable state and federal law and to the terms of any governing union contract. Similarly, compensation for time spent actually working is paid according to applicable state and federal law and to the terms of any governing union contract.

EXEMPT EMPLOYEES

Salary Basis of Compensation

If you are classified as an exempt employee, you will receive a salary that is intended to compensate you for all hours worked for the Employer. This salary will be established at the time of hire or when you become classified as an exempt employee. While your salary may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Attendance and Recording Time for Exempt Employees

Although exempt employees are paid on a salary basis and not by the hour, all exempt employees are nevertheless required to record all time spent working for the Employer. This is important for a variety of reasons, but it is not for the purpose of paying an exempt employee other than on a salary basis.

For payroll purposes, the regular workweek for exempt employees of the Employer is defined as the week running from Tuesday morning at 12:00 a.m. to the following Monday evening at 11:59 p.m.

The regular business workday for exempt employees is generally from 7:00 a.m. to 3:30 p.m. or 8:00 a.m. to 4:30 p.m., unless a manager, Director, or supervisor has specified other expectations or arrangements. The Employer generally expects that an exempt employee will work forty or more hours in each workweek. Exempt employees are required to meet the Employer's attendance standards, which the Employer sets in its discretion.

On Call Time For Exempt Employees

Exempt employees who are assigned on-call duty or pager duty do not receive additional pay for that duty. The Employer may, from time to time in its discretion, choose to assign certain credit or rewards to exempt employees for performing such duty.

Deductions from an Exempt Employee's Salary

The Employer does not permit any payroll deduction unless it is approved by the Finance Manager. Deductions from an exempt employee's salary will only be made in good faith and in compliance with applicable law. No manager or other employee of the Employer has the authority to order any deductions from an exempt employee's salary without the approval of the General Manager.

Federal and state law limit the deductions that may be made from the salary of an exempt employee. The Employer intends to fully and strictly comply with these limitations. Please note that these limitations concern the amount of gross salary received on the paycheck; but these are different from any limitation on deductions from an employee's leave bank. Further explanation of how this works follows below.

Important Definitions.

A deduction from salary is a deduction that results in a lower gross pay amount on an employee's paycheck.

A deduction from a leave bank does not result in a lower gross pay amount on an employee's paycheck, but, rather, reduces the balance in the employee's leave account; or, in other words, reduces the amount of an employee's accrued and unused vacation or sick leave.

Permissible Deductions from Salary.

Absent contrary state law requirements or a specific employment contract executed by a duly authorized representative of the Employer, the salary of an exempt employee may be reduced for any of the following reasons:

- Full day absences for personal reasons.
- Full day absences for sickness or disability (which absence may otherwise be paid through any sick time benefits available to the salaried employee, if any).
- Full day disciplinary suspensions for infractions of the Employer's written policies and procedures.
- Full day disciplinary suspensions for violations of workplace safety rules of major significance.
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event the employee works less than a full week.

The salary of an exempt employee may also be reduced for certain types of deductions such as the employee's portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a Section 457 retirement plan.

Impermissible Deductions from Salary.

In any work week in which an exempt employee performs any work, the exempt employee's salary amount will not be reduced for any of the following reasons, although, as explained further in more detail below, the employee's leave bank may be reduced for these reasons, in some circumstances:

- Partial day absences for personal reasons, sickness or disability.
- Absence because the facility is closed on a scheduled workday.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

Permissible Deductions from An Exempt Employee's Leave Bank.

Federal and state law permit the Employer to reduce an exempt employee's accrued vacation or sick balance for ***full or partial*** day absences for personal reasons, sickness or disability. Deduction for the use of such leave time will not be made from the exempt employee's ***salary***, but from the exempt employee's ***leave bank***.

Questions or Concerns about This Fair Pay Policy

If you have questions or concerns about this Fair Pay Policy, please contact your supervisor/manager, any Director, or Human Resources.

28. BREAKS FOR NURSING MOTHERS TO PUMP BREAST MILK

Employees who need to express breast milk for their infant child_during the twelve (12) months following the birth of the child will be provided with reasonable break times for this purpose each day, as long as such breaks do not unduly disrupt company operations. As far as possible, such breaks must run concurrently with regular break times otherwise provided; and must be arranged so that the requirements of the job can be adequately met by other staff on duty. It is not necessary for an employee to clock out for such breaks unless regular unpaid meal break time is being used; the Utilities will not reduce the compensation of any employee as a result of taking lactation breaks.

Employees needing time to express breast milk should contact their supervisor to inform them of the need and discuss an appropriate private location. For lactation breaks Employees will be provided an appropriate private (non-bathroom) space with an electrical outlet that is shielded from view and free from intrusion.

29. CALL OUT TIME: REGULAR FIELD WORKERS

Regular field workers who are asked to report for work outside their regular working hours shall be paid a minimum of two (2) hours each time they report for work.

Scheduled work contiguous to normal working hours shall not be subject to this two (2) hour minimum reporting pay obligation. However, if a regular field worker reports for work before or remains after the regular eight (8) hour workday, or works on a Saturday, Sunday or Holiday, he/she will be paid at the applicable overtime rate for each hour worked over eight in a day, or on a Sunday or Holiday, as applicable. Such reporting and overtime pay is not applicable to situations involving travel or training time away from the regular workplace except where the employee's total working time for the workweek exceeds 40 hours, in which case the 40-hour overtime provision will apply.

Work performed for which an employee does not report to a particular work site, such as work that can be performed on a laptop computer from a non-work site, shall not be subject to this two hour minimum reporting pay obligation.

This policy does not apply to employees other than regular field workers.

30. ON-CALL

Regular Field Workers.

Required On-Call Rotation for Regular Field Workers. Regular field workers (including linepersons, water operators, and other specifically trained field workers) are subject to a residency rule. These same workers are also subject to required participation in a scheduled on-call rotation. Apprentices may be excluded from the on-call rotation for up to one year from their date of hire, per management discretion. The on-call rotation is scheduled in one (1) week blocks.

Residency Rule. The residency rule applies to the regular field workers who may be required to serve on-call. The residency rule is that these employees must live within a twenty (20) mile radius or thirty minute commute of the power plant.

Response Time. The following guidelines on response time apply to regular field workers in the on-call rotation schedule on a 24-hours-a-day, seven-days-a-week basis during the workers' scheduled on-call weeks.

- While on-call, workers must remain within the 20-mile residency radius or a 30 minute commute of the power plant.
- While on-call, workers are expected to make immediate telephone contact in response to a call.
- While on-call, workers are expected to urgently report to a site of need within a reasonable time, which will vary depending on the identified reason for the call. Depending on the need an on-call worker may find it necessary to call in a field partner to assist in providing appropriate and timely call response.

Take Home Vehicles. Regular field workers who are part of the scheduled on-call rotation will be provided a company vehicle to take home for the exclusive purpose of responding to calls about Utilities business during the on-call block.

Compensation for On-Call Time. Time spent on-call by regular field workers is not working time. In recognition of this on-call service, however, nominal compensation is paid.

Weekly Compensation for Workers in an On-Call Rotation. For workers in a regular on-call rotation, compensation of fourteen (14) hours at the worker's base rate of pay is paid, which covers an entire one (1) week block of on-call service. This compensation covers all time spent on call during the on call week, including phone or other remote triage work as to which there is no call out.

Pro Rata Compensation for Workers Performing Back-Up On-Call Service. Workers not in a regular on-call rotation may be designated and required to serve on-call on a back-up basis. Such workers who serve on-call for less than a full week at a time will be compensated for their on-call service on a pro rata basis for each day of on-call service, at the daily rate of 1/7 of 14 hours times the worker's base rate of pay. Workers not in a regular on-call rotation who serve on call, upon designation, for a full week will receive compensation on the same basis as do workers who are in an on-call rotation.

When a recognized paid holiday falls within the on-call block covered by the worker (whether a week or portion thereof), eight (8) vacation time hours will be awarded as additional on-call compensation.

Compensation for Actual Response Time. Time spent actually responding to a call that is received while a worker is serving on-call, however, is working time, and is therefore paid based on an employee's regular rate of pay.

Call out time. When an employee is on-call, the Utilities' policy on call out time pay still applies, in accordance with the terms of that policy.

Other On-Call Arrangements. Certain employees other than regular field workers, namely, the Operations Director, Electric Superintendent and the Water Superintendent, are subject to call response requirements for emergency preparedness and/or customer service purposes. The Operations Director, Electric Superintendent and the Water Superintendent are not subject to the residency rule that applies to regular field service workers.

Superintendents.

Electric Superintendent. The Electric Superintendent is required to be available to triage or respond on an as-needed basis to emergency calls 24 hours a day, seven days a week without rotation. Such on-call time and availability is not working time. The Electric Superintendent is not required to remain within the residency radius and does not receive additional compensation for on-call time or for actual response time. The call out time policy does not apply to the Electric Superintendent. The Electric Superintendent shall arrange for another qualified Utilities employee to be on call: 1) during his or her scheduled vacation periods; 2) when it is necessary for the Electric Superintendent to use accrued sick leave.

Water Superintendent. The Water Superintendent is required to be available to triage or respond on an as-needed basis to emergency calls 24 hours a day, seven days a week without rotation. Such on-call time and availability is not working time. The Water Superintendent is not required to remain within the residency radius and does not receive additional compensation for on-call time or for actual response time. The call out time policy does not apply to the Water Superintendent. The Water Superintendent shall arrange for another qualified Utilities employee to be on call: 1) during his or her scheduled vacation periods; 2) when it is necessary for the Water Superintendent to use accrued sick leave.

Operations Director. The Operations Director is required to be available to triage or respond on an as-needed basis to emergency calls 24 hours a day, seven days a week without rotation. Such on-call time and availability is not working time. The Operations Director is not required to remain within the residency radius and does not receive additional compensation for on-call time or for actual response time. The call out time policy does not apply to the Operations Director. The Operations Director shall arrange for another qualified Utilities employee to be on call: 1) during his or her scheduled vacation periods; 2) when it is necessary for the Operations Director to use accrued sick leave.

Take Home Vehicles. Based on the expectation that they will regularly be available to respond in a timely and appropriate manner to calls about Utilities business outside of regular business hours, the Operations Director, the Electric Superintendent and the Water Superintendent, are provided Utilities vehicles to take home. These vehicles are subject to the Utilities' Use and Disposal of Utility Property policy and may only be used for the exclusive purpose of responding to calls about Utilities business.

31. ELECTRIC RE-CONNECT TIME

Regular field workers performing electric re-connects at times other than during their scheduled work hours will be paid in accordance with the general policy on Call Out Time for Regular Field Workers.

32. STORM PAY

Employees assigned to work at another utilities distribution system to assist with restoration following a storm, will receive time and one-half (1.5) times their regular rate of pay for all such hours worked, except hours worked on Sunday or an Elk River Municipal Utilities recognized Holiday, which shall be paid at two (2.0) times the employee's regular rate of pay. The Utilities will use its best efforts to rotate and distribute these assignments equally with priority on maintaining proper staffing levels at Elk River Municipal Utilities.

33. LEAD PAY DIFFERENTIAL

An employee who is currently a lineworker shall assume the duties of a lead lineworker when the lead lineworker is absent from a crew, *provided that* only the most senior

lineworker on a crew shall assume the lead lineworker's duties. The lineworker assuming such duties shall receive a rate differential equal to 3% of the applicable rate of pay times the number of hours worked during which the lineworker assumed such lead duties.

The rate differential provided in this policy for lineworkers applies during both regular scheduled work hours and after hours. During after-hours call out, as well as at any other time, this rate differential will be paid only when the crew is full and the lead lineworker is absent.

An employee who is currently a water operator shall qualify for and assume the duties of a lead water operator when he/she performs general functions of the lead water operator, such as providing work direction for the other water operators in the absence of both the water superintendent and water operations foreperson. The water operator assuming such duties shall receive a rate differential equal to 3% of the applicable rate of pay times the number of hours worked during which the water operator assumed such lead duties.

The rate differential provided in this policy for water operators applies during both regular scheduled work hours and after hours. During after-hours call out, as well as at any other time, this rate differential will be paid only when directed by the water operations foreperson or water superintendent.

34. LONGEVITY PAY

The Utilities values long term dedicated service by Employees. Beginning on January 1, 2022, a Longevity Bonus will be paid to qualifying eligible employees based on their years of service according to the schedule below. The purpose of the Longevity Bonus is to recognize the service of Employees that work for the Utilities long-term.

Regular full-time and regular part-time Employees are eligible for a Longevity Bonus when they qualify as set forth in this Section.

Regular full-time employees are eligible to receive a Longevity Bonus once each time they qualify by reaching a milestone anniversary date in accordance with the following schedule:

Milestone: Years of Service	Longevity Pay Amount
8 years	$1,550
12 years	$2,025
16 years	$2,100
20 years	$2,125
24 years	$2,300
28 years	$3,000
32 years	$3,000

Regular part-time employees are eligible to receive a Longevity Bonus once each time they qualify by reaching a milestone anniversary date in accordance with the following schedule:

Milestone: Hours of Service	Longevity Bonus Amount
16,640	$1,550
24,960	$2,025
33,280	$2,100
41,600	$2,125
49,920	$2,300
58,240	$3,000
66,560	$3,000

A Longevity Bonus is paid in one lump sum within 60 days of the anniversary date on which the Employee reaches the relevant milestone. Qualifying Employees who are eligible for a Longevity Bonus will be invited to the monthly Commission meeting in the month of their anniversary date, where the Commission Chair and the Employee's manager will present the Longevity Bonus paycheck to the Employee(s).

Because longevity pay is considered supplemental income by the Internal Revenue Service, 22% will be withheld in taxes from the employee's longevity pay during check processing.

35. PAYCHECK DEDUCTIONS

By law, the Utilities is required to withhold federal and state taxes, FICA and PERA from an employee's pay. The Utilities also has a Health Care Savings Plan with mandatory participation and will withhold applicable amounts from an employee's pay. In addition, other deductions may be made upon authorization of a participating employee including the following:

a. Employee share of health insurance
b. Credit Union
c. PERA life insurance
d. 457 contributions
e. Flexible benefits
f. Computer Loans up to $1,200.00 (12 month term)
g. World Vision
h. United Way

36. PAYCHECKS

Employees are paid every two weeks. The pay period begins every other Tuesday at 12:00 a.m. and ends every other following Monday at 11:59 p.m. Payday is the Friday immediately following the end of the pay period.

Employees are responsible for their paychecks upon receipt. Direct deposit is preferred but a check is available to employees upon request.

37. NIGHTWORK REST TIME

The Utilities will provide a regular field worker with one hour paid rest time for each hour worked between 10:00 p.m. and 6:00 a.m., excluding work performed during such window on Saturday or Sunday. The worker must make arrangements with his or her supervisor before taking such rest time. This nightwork rest time shall be taken during the next scheduled work shift. If the supervisor does not release the worker to take this nightwork rest time, all hours worked by the worker on the next scheduled shift shall be paid at one and one half times the worker's base rate of pay. It is the employee's responsibility to notify the supervisor and obtain approval prior to taking the rest time. It is also the employee's responsibility to take the nightwork rest time if it is approved by the supervisor. The employee's failure to take approved nightwork rest time shall result in forfeiture of such rest time. Nightwork rest time does not apply and is not paid in connection with travel or training time away from the regular workplace.

38. TRAVEL AND TRAINING TIME

Employees are paid for time spent in training related to their position with the Utilities, which must be approved in advance by the supervisor.

Employees will be paid for their time spent traveling in the following circumstances.

1. When a non-exempt employee is engaged in travel which keeps the employee away from home overnight **and** which cuts across a regular workday;

2. When a non-exempt employee travels to a special one-day work assignment in another city that does not require an overnight stay;

3. When a non-exempt employee spends time traveling as part of the employer's principal activity;

4. When a non-exempt employee spends time traveling between home and work in "call back" or "emergency" situations; and

5. When a non-exempt employee performs work during travel.

Overtime (at one and a half times the regular rate of pay) will be paid in connection with training or travel time only when, and to the extent, that an employee's total compensated hours in a workweek exceed 40. The eight hour and double time provisions of the Utilities' wage and hour policy do not apply to days involving work-related travel or training.

BENEFITS

39. GENERAL BENEFITS

This handbook provides a brief description of benefits available to eligible employees. The descriptions provided here are not intended to be comprehensive and all questions regarding eligibility and benefit levels should be directed to your supervisor so the specific plan documents can be reviewed for an answer. The plan documents govern any inconsistencies between these documents and the information provided here. Benefits and eligibility requirements are subject to change, and such changes may not be reflected in this description. Further, to be clear, nothing in the Benefits sections or elsewhere in this Handbook creates a contract with specific terms between the Utilities and any employee.

The Utilities expects to offer its benefit plans for the foreseeable future, but it reserves the right, in its sole discretion, to change, modify or eliminate them at any time, except to the extent prohibited by law.

40. VACATION

All regular full-time employees shall accrue vacation according to the following schedule:

Years of Service	Accrued Per Pay Period	Accrued Per Year
0-4	3.70 hours	12 days
5	4.00 hours	13 days
6-9	4.62 hours	15 days
10	4.93 hours	16 days
11	5.24 hours	17 days
12	5.54 hours	18 days
13	5.85 hours	19 days
14-15	6.16 hours	20 days
16-18	6.77 hours	22 days
19	7.70 hours	25 days
20-21	8.00 hours	26 days
22-23	8.31 hours	27 days
24+	8.62 hours	28 days

Vacation days accrue each pay period as shown in the table above. Paid vacation may be taken as soon as it is accrued. Accrual rates change, as applicable, on an employee's anniversary date. Example: If an employee's start date was July 1, 2016, the new accrual rate would start July 1, 2021.

If an employee is on leave and using vacation on a basis of less than the regular eight-hour day, and so not receiving full vacation pay for each day, the accrual is calculated on a pro rata basis.

Regular part-time employees accrue paid vacation under this schedule on a pro rata basis. Temporary and seasonal employees are not eligible for paid vacation.

Employees must request time off for vacation as far in advance as feasible. When possible, employees will be granted vacation time of their choice. However, scheduling of vacation time is subject to the operating needs of the Utilities.

Unused vacation days may be carried over from year-to-year, but only to a limited extent, as follows. Unused vacation carryover will be limited to the number of hours accrued during the previous year. Accrued vacation days beyond the carryover limit are lost. For example, if an employee with 2 years of service has accrued but not used 15 vacation days by the end of the pay period containing his or her anniversary date, he or she will only be permitted to carryover 10 days to the next year.

Paid vacation may not be used for the purpose of extending an employee's active employment with the Utilities or for retaining a full-time equivalency percentage that is not based on an employee's actual planned and scheduled working time.

Employees who voluntarily end their employment and who give the Utilities proper (generally at least two-weeks) notice, and employees terminated involuntarily by the Utilities for reasons *other than an ethics violation, fraud, theft, or other egregious misconduct*, shall be paid out for the amount of earned but unused vacation time in their account as of the date of separation, provided they sign and do not rescind an agreement releasing claims arising out of their employment, in a form prescribed by the Utilities. Employees involuntarily terminated by the Utilities for an ethics violation, fraud, theft, or other egregious misconduct shall not be paid out any unused vacation time.

Employees who retire immediately eligible to claim their pension and who give the Utilities proper notice (generally at least two-weeks) shall have 100% of unused vacation time converted into cash and deposited into their Post Employment Health Care Savings account, but only *on the condition that* they sign and do not rescind an agreement releasing claims arising out of their employment, in a form prescribed by the Utilities.

The Operations Director, Electric Superintendent and Water Superintendent accrue paid vacation at the rate set forth above and are generally subject to this Vacation policy; but they each shall also receive an additional 40 hours of paid vacation per year, the balance of which will be paid out at their respective then-current base rates of pay if not used by the end of the year. No such balance may be carried over from year to year.

41. PURCHASED VACATION TIME (PVT)

Upon starting employment and during each annual open enrollment period, an employee may purchase up to 40 hours of additional paid vacation time. If an employee decides to purchase vacation time, the employee pays for the hours on a pre-tax basis. The cost of

the purchased vacation time will be deducted equally from each paycheck over the course of the year and paid out at the rate in effect upon payout.

Vacation is purchased in one-hour increments with a minimum purchase of eight hours and a maximum purchase of 40 hours. **Per IRS regulations, the purchased vacation time can only be used once the employee's entire accrued vacation time has been exhausted.**

Purchased vacation hours must be used in the calendar year in which they are purchased. Any purchased vacation hours that have not been used before the second to last pay period end date of the calendar year will automatically be paid out in the last paycheck of the calendar year in which the vacation time was purchased, at the rate in effect at the time of payout and subject to withholding at the supplemental tax rate. Therefore, purchased vacation time will not be available for use in any year after mid-December.

Upon separation from employment, if purchased vacation time used exceeds the cost of such purchase that has been deducted up to that time, the employee must pay the difference back to ERMU. However, if the employee has remaining purchased vacation time that has not been used, it will be paid out to the employee upon separation.

New employees are allowed to buy purchased vacation time based on their benefit eligibility date, as listed in the chart below.

Benefit Eligibility Date	**Maximum PVT Hours Eligible for Purchase**
January – March	40 Hours
April – May	32 Hours
June – July	24 Hours
August – September	16 Hours
October – November	8 Hours
December	0 Hours

42. PAID SICK LEAVE

Regular full-time employees accrue sick leave at the rate of 3.70 hours per pay period (approximately 8 hours per month or 12 days per year). If an employee is on leave and using sick leave less than the regular 8-hour day, and so not receiving full pay, the accrual is calculated on a pro rata basis. Regular part-time employees accrue sick leave pro rata based on the full-time accrual rate. Temporary and seasonal employees are not eligible for sick leave.

Sick leave may be used for illness and for visits to a health care provider (including any visit that would qualify for reimbursement under IRS Flexible Health Care Spending Accounts guidelines, which include, for example, medical doctors, dentists and optometrists). Sick leave may be used to cover illness or visits of the employee or the employee's child or another "covered relative" as defined below, or for purposes of

parenting leave in accordance with Minnesota law. To be a "covered relative" under this policy an individual must have same residence address as the employee and must receive substantially all of his or her financial support from the employee. Sick leave may also be used when an employee's daycare facility is closed due to sickness. Documentation from a health care provider may be requested by the Utilities in its sole discretion. Misuse of paid sick leave may result in disciplinary action.

In addition, an employee's sick time can also be used for a "safety leave" for covered relatives for the purpose of providing or receiving assistance due to sexual assault, domestic abuse or stalking. ***See also Minnesota Sick Family Member or Safety Leave, Section No. 55, below.***

Sick leave may not be used for the purpose of extending an employee's active employment with the Utilities or for retaining a full-time equivalency percentage that is not based on an employee's actual planned and scheduled working time.

Employees are required to notify their immediate supervisor at least thirty (30) minutes prior to the start of their regular working hours if they intend to be absent from work. If an emergency prevents the employee from notifying his/her supervisor at such time, the employee is expected to call as soon as possible during the workday. Employees are also required to keep their supervisors informed of their condition and anticipated return to work.

An employee attempting to use sick time for reasons other than those explicitly permitted in this policy will be subject to disciplinary action up to and including termination.

A doctor's certification of the need for sick leave in accordance with this policy shall be required if an employee is absent more than four (4) days or if abuse of sick leave is suspected by the employee's immediate supervisor, a Utilities manager, Director, or the Human Resources Representative. In some circumstances, an employee may be requested to submit to a medical examination by an appropriate health care provider to confirm whether the employee is fit for duty. In such a circumstance, the Utilities may select the health care provider to conduct the examination.

Unused sick leave will not be paid out in wages upon termination of employment, but in some circumstances is subject to limited conversion under the Health Care Savings Plan policy found elsewhere in this Handbook.

43. PAID HOLIDAYS

Regular full-time employees who are non-exempt will be paid for eight (8) hours at their base wage rate for each of the following holidays:

New Years Day	*Labor Day*
Martin Luther King Day	*Veterans Day*

Presidents Day	*Thanksgiving Day*
Memorial Day	*Friday following Thanksgiving Day*
Juneteenth Day	*Christmas Eve Day*
Independence Day	*Christmas Day*

Eligible part-time employees who are non-exempt will receive paid holidays on the same basis as regular full-time employees, except that holiday pay will be pro-rated according to the number of hours worked.

Exempt employees are permitted to observe the designated holidays above without reduction of their salary.

If the holiday falls on a Saturday, the preceding Friday will be observed. If the holiday falls on a Sunday, the following Monday will be observed as a holiday. Employees will not receive holiday pay for any holiday that falls during any leave of absence.

44. EMPLOYEE CLOTHING

It is required that employees wear clothing items specified by the Utilities for their position and activity during working time.

For regular field workers potentially exposed to electric hazards, the Utilities will provide an initial issue of five fire retardant long sleeved shirts, five fire retardant pants, and five fire retardant tee shirts per outside employee exposed to electric hazards. A second set of five fire retardant long sleeved shirts, five fire retardant pants, and five fire retardant tee shirts will be issued after the probationary period. As an alternative option, one fire retardant hooded fleece may be substituted for two fire retardant long-sleeved shirts and/or one sweatshirt may be substituted for two long-sleeved shirts. Field Supervisors may substitute logoed fire retardant dress shirts for fire retardant uniform shirts. Provided clothing may also include: lineworker's climbing boots, summer work boots, rubber boots, rubber overshoes, insulated winter boots, and coveralls (used for maintenance on trucks). The Utilities will issue a check to the supplier for the covered items. For Commissioners and employees other than regular field workers, the Utilities will provide a $75 annual allowance for Utilities logo clothing.

On an annual basis, the Utilities will replace worn out items that have been provided by the Utilities. Worn out items should be turned in to the Utilities. The Utilities will also provide and replace the following as necessary in the Utilities' discretion: fire retardant lined and unlined bib overalls, fire retardant lined parka and hood, fire retardant lined bomber jacket, and hats with the appropriate emblems and identification.

Upon the end of employment with the Utilities, an employee must return all Utilities-logoed clothing items that were issued to him or her that were paid for by the Utilities.

45. HEALTH CARE SAVINGS PLAN

Utilities' employees participate in the Minnesota Post Employment Health Care Savings Plan (HCSP) established under Minn. Stat. § 352.98 and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. All funds collected by the employer on behalf of the employee will be deposited into the employee's Post Employment Health Care Savings Plan account. General participation rules are outlined below, for a complete guide regarding benefits, use, and eligibility see the plan's documents.

1. Employees are required to contribute to the Post Employment Health Care Savings Plan. These funds will be deposited after each pay period. The contribution shall be based on the following structure:

   There will be four groups, concurrent with the pay plan. The four groups are Office, Field Workers, Line Workers, and Management. All groups shall participate in contributions as follows:

   a. Employees with fewer than 10 years of service are required to contribute 1% of their gross wages.
   b. Employees with fewer than 20 years of service and at least 10 years of service are required to contribute 2% of their gross wages.
   c. Employees with at least 20 years of service are required to contribute 3% of their gross wages.

2. Employees who have accrued over 960 hours of sick time will have 50% of those hours converted to cash and deposited in their Post Employment Health Care Savings account. The conversion will take place once a year at the end of December.

3. Employees who voluntarily end their employment and who give the Utilities proper (generally at least two-weeks) notice, and employees whose employment ends involuntarily because of lack of work, will have 50% of unused sick leave, up to a maximum of 120 days, converted into cash and deposited into their Post Employment Health Care Savings account provided they sign and do not rescind an agreement releasing claims arising out of their employment, in a form prescribed by the Utilities. Employees involuntarily terminated by the Utilities for any reason other than lack of work shall not be eligible to receive such conversion. No contributions will be accepted by the Plan on behalf of an employee after the death of the employee.

4. Employees who retire immediately eligible to claim their pension and who give the Utilities proper notice (generally at least two-weeks) shall have 100% of unused vacation time converted into cash and deposited into their Post Employment Health Care Savings account, but only *on the condition that* they sign and do not rescind an agreement releasing claims arising out of their employment, in a form prescribed by the Utilities.

46. 457 DEFERRED COMPENSATION

The Utilities will match funds contributed by employees, up to a maximum contribution of $2,500.00. These plans are administered by the Minnesota State Deferred Compensation Plan and/or Wenzel & Associates' John Hancock Plan.

Employees in the Management Pay Group are eligible for an additional employer matching (dollar for dollar) contribution up to 2.5% of the manager's annual base salary, conditioned on the individual providing the Utilities with authorization for the necessary payroll deduction and subject to applicable legal limits to such contributions.

All Utilities employees are subject to Minnesota law capping public employee salaries based on the Governor's salary. Certain definitions and exclusions apply from time to time to the calculation of salaries under that cap, including, for example, vacation and sick leave allowances.

Leave Credit In Lieu Of Compensation. Each employee will be paid that portion of the employee's assigned salary that is permitted by law to be paid. An employee whose salary and other forms of compensation exceed the amount permitted by law to be paid is entitled to receive paid leave time in lieu of that portion of the salary that exceeds the amount permitted by law to be paid. The amount of such paid leave credit will be calculated using the employee's annual rate of pay established pursuant to the applicable compensation policy and plan. The Commission and the General Manager are each authorized to establish the assigned salary using the provisions of this policy and the compensation plan established by the Commission. Further information about this Leave Credit is available from management or Human Resources upon request.

For more information about the Utilities' benefit plans consult the summary plan descriptions that have been distributed to each employee, additional copies of which are also available upon request.

47. HEALTH INSURANCE COVERAGE

For eligible employees who regularly work 30 hours per week and enroll in a health insurance plan provided by the Utilities, the Utilities will pay a majority of the premium charged, and will set the employee share of the premium for each level of coverage available. The Utilities current group health insurance allows the Utilities to offer a Health Savings Account-related plan. Plans, plan designs, and employee share of premiums may change from time to time. The amount of the monthly premium for a health insurance plan

that is the responsibility of the employee is currently as follows. Premiums and employee shares are subject to change from time to time.

COVERAGE	MONTHLY EMPLOYEE SHARE
• Employee	$109
• Employee + 1	$218
• Family	$328

Employees should consult the applicable Summary Plan Description (SPD) for details regarding coverage and eligibility. A copy of the SPD will be provided to employees and is available upon request.

48. DENTAL INSURANCE

Eligible employees who regularly work at least 30 hours per week and who enroll in the Utilities' dental insurance plan, the Utilities will pay seventy-five percent (75%) of the monthly premium per employee/family for dental insurance. Any monthly premium over and above 75% of the dental coverage is the responsibility of the employee. Employees should consult the Summary Plan Description for details regarding coverage and eligibility. A copy of this description will be provided to employees and is available upon request.

49. LONG-TERM DISABILITY

A Long-Term Disability Plan is provided to eligible employees who regularly work at least 30 hours per week. Schedule amount: 60% of Monthly Earnings subject to a maximum amount of $5,000.00 per month. Employees must be employed for two (2) months to qualify for coverage. Employees should consult the Summary Plan Description for details regarding coverage and eligibility. A copy of this description will be provided to employees and is available upon request.

50. LIFE INSURANCE

Life insurance is provided to each employee at a rate of Two and One Half times (2½) the employee's annual salary, to a maximum of $85,000.00. Employees should consult the Summary Plan Description for details regarding coverage and eligibility. A copy of this description will be provided to employees and is available upon request.

51. SHORT TERM DISABILITY INSURANCE

A Short-Term Disability Plan is provided to eligible employees who regularly work at least 30 hours per week. Scheduled benefit amount: 60% of weekly earnings subject to a maximum amount of $1,000.00 per week. Employees may qualify for this benefit after a

fourteen day elimination period with a maximum coverage amount up to eleven weeks. Employees should consult the Summary Plan Description ("SPD") for details regarding coverage and eligibility. A copy of this SPD will be provided to employees and is available upon request.

52. VISION INSURANCE

Eligible employees who regularly work at least 30 hours per week are eligible to enroll in the Utilities' vison insurance plan. The monthly premium for vision coverage is the responsibility of the employee. Employees should consult the Summary Plan Description for details regarding coverage and eligibility. A copy of this description will be provided to employees and is available upon request.

53. HOME COMPUTER LOAN POLICY

In an effort to encourage all employees to develop and improve their computer skills, employees may purchase a home computer per the following guidelines.

1. The purchased computer and software shall be new, not reconditioned, not used.
2. The purchased computer shall be used in the employee's home.
3. Employee must provide a receipt reflecting the purchase of this computer.
4. The Utilities will provide an interest-free loan for the purchase of this computer up to $1,200.00, for a term not to exceed 12 months.
5. Employee will repay the computer loan to the Utilities in not more than 25 equal installment payments authorized and made through payroll deduction, upon the employee's election by signed authorization form.
6. Employee must maintain ownership and possession of the computer for the duration of the loan term.
7. If the employee leaves the Utilities before the loan is paid back in full, the Utilities will withhold the outstanding portion of the loan from the employee's final paychecks (including any check for unused and unpaid benefits) as authorized by the employee in the authorization form signed at the time the loan is made.

54. EDUCATIONAL ASSISTANCE

The Utilities will provide financial assistance to eligible employees for pre-approved courses that are job related, lead to a job-related degree, or are within areas beneficial to the Utilities in its discretion and pursuant to this policy. With regard to education required by the Utilities or in connection with a Utilities-approved apprenticeship training program, check with a Utilities manager or Director.

1. All full-time Utilities employees with at least three months of continuous employment are potentially eligible for reimbursement under this policy.

2. The Utilities may pay up to 100% reimbursement of the costs for tuition, registration, fees, books and course required materials after successful completion of a pre-approved course. Courses must be at accredited colleges, universities, or vocational schools or be short courses conducted by recognized professional training organizations.

3. A course may be approved if:

   a) It is directly related to the employee's work for the Utilities.

   b) It is required by a program of study leading to a degree that is directly related to the employee's work for the Utilities.

   c) It will improve the employee's work for the Utilities.

   d) It is expected to be completed within a time acceptable to the Utilities.

4. This policy will not cover recreational or personal interest courses.

5. Prior to registration, the employee must have full approval for the course from Utilities' management designated as having approval authority for such matters.

6. The Utilities reserves the right to disapprove educational assistance requests and to amend or eliminate this policy from time to time in its discretion.

7. Total reimbursements to an employee during the academic year may not exceed $3,000.

8. Not eligible for reimbursement are costs of:
   a) late fees and fees due to an employee error
   b) meals, transportation, lodging, insurance, etc.

9. If an employee is eligible for education assistance from any outside source (e.g.: G.I. Bill, grants, scholarships, etc.), the employee must apply for any assistance first and request the balance through this Education Assistance Policy.

10. Termination of employment prior to completion of a course will disqualify the employee for educational assistance.

11. Courses not satisfactorily completed within the time expected or otherwise acceptable to the Utilities will not receive reimbursement but must instead be paid for by the employee.

12. Course attendance and preparation must take place outside of scheduled work hours and must not jeopardize the employee's work performance.

13. Employees will be paid for any time used in attending courses for which they are required by the Utilities to attend. All tuition and fees for such course will be paid for by the Utilities.

LEAVES OF ABSENCE

The Utilities provides leaves of absence according to the following policies. Unless otherwise indicated, all leaves of absence are unpaid. However, employees taking unpaid leave are required to concurrently use any paid vacation or other paid time they have available concurrently with their unpaid leave, beginning with using accrued paid vacation time.

An employee requesting a leave of absence must complete a Request for Leave of Absence form. Forms for requesting a leave of absence are available from the Human Resources Representative. When possible, advance notice of a leave should be provided to an employee's supervisor so work schedules can be adjusted accordingly.

55. PARENTING LEAVE

Under the Minnesota Parental Leave Act, a Minnesota employee who has worked for the Utilities for at least 12 months and who has worked at least one-half (1/2) time during the twelve (12) months preceding a leave is entitled to take up to twelve (12) weeks of unpaid leave as follows:

- An eligible biological or adoptive parent make take such leave for the birth or adoption of a child; and
- An eligible female employee may take such leave for prenatal care or incapacity due to pregnancy, childbirth, or related health conditions.

An employee requesting parental leave must give the Utilities at least thirty (30) days advance notice of the start and end dates of the requested leave, unless such notice is not possible due to legitimate unanticipated factors in which case as much notice as is possible should be given. For a leave for the birth or adoption of a child, the leave must begin within either 12 months of the birth or adoption or, if the child must remain in the hospital longer than the mother, within 12 months of the child leaving the hospital.

Insurance benefits will continue during the leave, but the employee must pay his or her portion of the premiums during the leave and will be required to reimburse the Company for premiums paid by the Company during the leave if the employee does not return to work following the leave.

If any employee is eligible for parental leave under both the FMLA and the MN Parental Leave Act, the parental leave time taken under the Company's FMLA leave policy will run concurrently with time taken under this policy.

If you are eligible for both unpaid MN parental leave and any paid vacation or long-term disability insurance, you must use this paid time off or salary continuation benefit during any MN parental leave period up to the amount needed to cover the entire parenting leave.

Following leave under this policy, an employee will be reinstated to his or her same job or one with comparable duties, hours, and pay.

56. MINNESOTA SICK FAMILY MEMBER OR SAFETY LEAVE

A Minnesota employee who has worked for the Utilities for at least 12 months and who has worked at least one-half (1/2) time during the past twelve (12) months may use his or her accrued sick time to care for the employee's sick or injured child, stepchild, foster child, adopted child, adult child, spouse, sibling, parent, parent-in-law, stepparent, grandparent, or grandchild (including a biological, step, foster, or adopted grandchild) for reasonable times as the employee' s attendance may be necessary. This type of leave is referred to as a "Sick Family Member Leave".

In addition, a Minnesota employee who has worked for the Utilities for at least 12 months and who has worked at least one-half (1/2) time during the past twelve (12) months may use his or her accrued sick time to receive assistance or provide assistance to the employee's child, stepchild, foster child, adopted child, adult child, spouse, sibling, parent, parent-in-law, stepparent, grandparent, or grandchild (including a biological, step, foster, or adopted grandchild) because of domestic abuse (as defined in Minn. Stat. §518B.01), sexual assault (as defined in Minn. Stat. §§609.342, 609.3453, or 609.352), or stalking (as defined in §Minn. Stat. 609.749). This type of leave is referred to as a "Safety Leave."

Eligible employees are limited to using a maximum of 160 hours of sick time in any 12-month period for a Safety Leave or for a Sick Family Member Leave resulting from the illness of or injury to the employee's adult child, spouse, sibling, parent, parent-in-law, stepparent, grandparent, or grandchild.

Sick time under this policy must be used in the same manner as the employee would use the sick time for his/her own illness.

Please note that, if an employee is also eligible for FMLA leave to care for a sick family member, FMLA leave and Minnesota Sick Family Member Leave time will run concurrently.

57. SCHOOL ACTIVITIES LEAVE POLICY

Employees who have worked at least one-half time during the preceding twelve months are entitled to up to 16 hours leave during any 12-month period to attend school conferences or classroom activities related to the employee's child, provided the conferences or classroom activities cannot be scheduled during non-work hours. If an employee's child receives child care services or attends a pre-kindergarten regular or special education program, the employee may use the leave time to attend a conference, or activity related to the employee's child, or to observe and monitor the services and program, provided the conference, activity or observation cannot be scheduled during non-work hours.

When the need for leave under this section is foreseeable, the employee must provide reasonable prior notice of the leave to his or her immediate supervisor and make a reasonable effort to schedule the leave so as not to unduly disrupt Utilities business.

Regular paid sick leave may not be used for purposes of this school activities leave.

58. BONE MARROW AND ORGAN DONATION LEAVE

Employees who work an average of twenty (20) or more hours per week who seek to undergo a medical procedure to donate bone marrow or an organ or partial organ will be granted up to forty (40) hours of paid leave. Regular sick leave need not be used when this Bone Marrow and Organ Donation Leave policy is applicable to the circumstances. The Utilities may require verification by a health care provider of the purpose and length of each leave requested by the employee pursuant to this policy.

59. NATIONAL GUARD AND RESERVE LEAVE

Any officer or employee of the Utilities who is a member of the National Guard or other reserve unit is entitled to a leave of absence from public office or employment without loss of pay, seniority status, efficiency rating, vacation leave, sick leave, or other benefits for the time that he/she is engaged with the reserve in training or active service so long as such leave does not exceed a total of fifteen (15) days in any calendar year. Such leave will be allowed only in cases where the required military or naval service is satisfactorily performed. Such leave will not be allowed unless the officer or employee:

- Returns to the public position immediately on being relieved from such military or naval service and not later than the expiration of the time herein limited for such leave; or
- Is prevented from returning to Utilities employment by physical or mental disability or other cause not due to the officer's or employee's own fault; or

- Is required by proper authority to continue in such military or naval service beyond the time herein limited for such leave.

60. MILITARY LEAVE FOR UNIFORMED SERVICE

Except as provided otherwise in the National Guard and Reserve Leave Policy above, employees who are members of, apply to perform, or have an obligation to perform service in a uniformed service will be granted an unpaid leave of absence to perform such service. Military leave requests shall be made to the immediate supervisor. The term "uniformed service" means the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty, active duty for training, initial active duty for training, inactive duty training, full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency. As soon as an employee is informed of the dates of the military training, he or she should notify his or her supervisor and request a leave of absence, even if he or she has not yet received written orders.

In the case of an employee whose period of military service is less than 31 days, an employee must report back to his or her job at the first regularly scheduled shift after the completion of military service and the time required for return from the place of military service to the place of civilian employment. An employee called to active duty for more than 30 days, but less than 181 days, must report back to his or her job not more than 14 days after the completion of his or her military service. An employee called to active duty for more than 180 days must report back to his or her job not more than 90 days after the completion of his or her military service.

This Policy is not intended to preclude leave with pay as may be provided in the National Guard and Reserve Leave Policy above.

61. JURY/WITNESS DUTY LEAVE

Employees will be allowed a leave of absence pursuant to state statute without restriction or sanction when called for jury duty.

- An employee performing jury duty or subpoenaed as a witness in court or voluntarily serving as a witness on behalf of the Utilities in a case in which the Utilities is a party will receive the difference between his/her regular rate of pay and the amount received as juror or witness up to the maximum allowed by state or federal law.
- The employee must notify his/her supervisor and complete a leave of absence form within 48 hours of receiving call for jury duty.
- An employee excused or released from jury duty during his/her regular work hours must report to his/her supervisor immediately thereafter.
- Time spent on jury duty will not count as time worked in computing overtime.

62. PERSONAL LEAVE DAY

Each January 1st, every regular employee will be credited with one day of paid personal leave, which will be available to be taken during the next 12 months, with the scheduling approval of management. This day, if unused, will not be carried over from year to year, and it is not paid out or converted upon separation from employment.

63. BEREAVEMENT LEAVE

A leave of absence, with pay and fringe benefits may be granted to a regular full-time employee for a maximum of three (3) days in the event of the death of a spouse, child, parent, brother, sister, grandparent, grandchild, or parent-in-law, brother-in-law, sister-in-law, grandparents-in-law, step-parents, step-siblings and step-children.

64. GENERAL LEAVE

The Utilities recognizes that circumstances of a unique personal nature may cause an employee to seek time off without pay. The Utilities may, at its sole discretion, grant unpaid personal leaves of absence to employees ("General Leave"). Approval is required of the employee's immediate supervisor and the General Manager before General Leave will be granted. In no event will General Leave be granted for longer than ninety (90) days, unless special approval is received from the General Manager.

Vacation and sick leave will not accrue during a General Leave. Further, the employee on General Leave will not be eligible for holiday pay during the leave. The Utilities will not contribute to the cost of insurance premiums for an employee on General Leave.

Employees are expected to return from General Leave when the reason for the leave expires. Employees who take a General Leave have no right to reinstatement.

65. VOTING LEAVE; SERVICE AS ELECTION JUDGE

Under Minnesota Statutes Section 204C.04, employees who are eligible to vote in an election to fill a vacancy in the office of United States Senator, United States Representative, State Senator or State Representative, or a presidential primary have the right to be absent from work for the time necessary to vote and return to work on the day of that election without penalty or deduction from salary or wages because of the absence. The Utilities will not abridge or interfere with this right.

The Utilities will provide an employee with paid time off to serve as an election judge, provided that the employee gives the Utilities at least 20 days' advance written notice. The

Utilities will reduce the employee's pay by the amount the employee is paid to serve as an election judge.

66. PAID LEAVE DONATION

With the written consent of the Utilities' General Manager or Finance Manager, employees wishing to do so may voluntarily donate accrued paid leave time that is presently available for use by the donor employee to a co-worker who is experiencing a major or catastrophic life event in the form of a medical emergency, loss of a family member, or other extraordinary circumstance (subject to management approval) necessitating time off from work for which the receiving employee has insufficient paid time off available. Examples of such a life event include, but are not limited to, a heart attack, stroke, organ transplant, or other medical condition of the employee or a family member for whose care the employee bears substantial responsibility.

An employee will be eligible to receive and use donated paid leave only if the following conditions are satisfied:

1. The receiving employee must submit a request for paid leave donation in the form prescribed by the Utilities.

2. The receiving employee's request for leave must be based on medical need to be absent from the workplace that is supported by documentation from a health care provider.

3. There is a reasonable expectation based on a treating provider's documentation that the receiving employee will return to work within a reasonable time following any leave of absence unless the employee qualifies for long term disability insurance benefits.

4. The receiving employee is currently eligible to accrue sick leave and vacation under the Utilities' policies.

5. The receiving employee has exhausted all of the employee's own paid leave time including all sick, vacation, compensatory, and other paid time.

6. The sick leave taken by the receiving employee will not be subject to income replacement by disability or workers compensation insurance.

The following additional conditions apply to leave donation under this policy:

1. All donations must be made in increments of eight (8) hours subject to a limit of 16 hours per donor to a particular recipient per year. Leave donation must be in one of the following configurations: i) a total of eight hours of paid sick leave; ii) a total of eight hours of vacation; iii) a total of sixteen hours, with eight hours being

vacation and eight hours being paid sick leave; iv) a total of sixteen hours, with sixteen hours being paid sick leave; v) a total of sixteen hours, with sixteen hours being vacation time.

2. The donor employee must complete a Paid Leave Donation Form prescribed by the Utilities in order to donate paid leave.

3. The total amount of paid leave donated to any individual employee in any rolling twelve-month period measured backward from the employee's most recent request for leave donation may not exceed 240 hours.

4. The Utilities will set a deadline for donations of paid leave to the receiving employee ("Donation Deadline"). No donations of paid leave will be accepted in response to the receiving employee's Request for Paid Leave Donation after the Donation Deadline.

5. The Utilities will set a date on which submitted donations of paid leave will become final and effective ("Donation Effective Date"). The Donation Effective Date shall be no more than ten business days after the deadline for donations to the receiving employee.

6. Before the Donation Effective Date, if Paid Leave Donation Forms are submitted for a total amount of leave that is more than the number of hours requested by the employee in the Paid Leave Donation Request Form, or for more than the maximum total donation of 240 hours, the Utilities will pro rate donations to the maximum allowed, among all employees submitting a Paid Leave Donation Form for the receiving employee and will notify all such employees in writing of such pro rating and the final number of hours from their Paid Leave Donation Form that will be donated to the receiving employee on the Donation Effective Date.

7. On the Donation Effective Date the Utilities will transfer all paid leave donations that are indicated collectively on the Paid Leave Donations Forms submitted, prorated, if necessary, in accordance with this policy, to the account of the receiving employee; and will reduce the corresponding account balances of the donating employees accordingly.

8. Donation of paid leave is permanent and final as of the Donation Effective Date and cannot be rescinded thereafter. Donated paid leave may not be transferred back to the donor after the Donation Effective Date under any circumstances. If the donated paid leave is not used by the receiving employee it is forfeited by all parties.

9. Donated paid leave time may be used by the receiving employee only for purposes of the medical leave necessitated by the catastrophic life event supporting leave donation under this policy.

10. Donated paid leave may be used by the receiving employee only for work time actually and necessarily missed due to the leave taken for the purpose set forth in the leave request submitted under this policy, and for no other purpose.

11. Donated paid leave may be used by the receiving employee only to replace the employee's normal work hours lost, up to a maximum of the receiving employee's FTE (measured as of the date on which the leave begins).

12. Donated paid leave must be used by the receiving employee concurrently with any applicable unpaid leave available to the receiving employee.

13. Donated paid leave must be used during the leave taken for the purpose submitted in the leave request under this policy.

14. Donated paid leave not used as described in this policy will be forfeited by the recipient.

15. When used by the receiving employee, donated paid leave will be paid at the receiving employee's current rate of pay.

16. The donation of paid leave time will permanently decrease the amount of accrued unused paid leave in the donor's paid leave account(s) and thereafter will not be counted or used by the donor or the Utilities for any purpose. For the avoidance of doubt, this means, among other things, that donated paid leave time does not qualify to be counted as unpaid sick leave for purposes of any severance pay calculation.

17. The Utilities will treat the identity of donor employees under this policy as private and confidential information.

18. This policy applies on a prorated basis to part-time employees eligible to accrue and receive paid leave time.

46703186v1

RECEIPT AND ACKNOWLEDGMENT

(EMPLOYER COPY:

MUST BE SIGNED AND RETURNED TO MANAGEMENT)

By signing this receipt, I acknowledge that I have received a copy of the Elk River Municipal Utilities Employee Handbook (the "Handbook"). This Handbook and the policies contained or referenced in the Handbook supersede and replace previously-issued handbooks, contrary oral or written statements of employment policy, and contrary employment practices.

I understand that the Employee Handbook may be amended at any time, with or without notice. I understand that I do not have a protected property interest in my employment with the Utilities. I also understand that neither this Handbook nor any provision in it creates a contract of employment for any particular duration between the Utilities and me. Further, I understand that nothing in this Handbook creates a contract with specific terms between the Utilities and me.

I acknowledge that it is my responsibility to become and remain informed about the employment policies and practices of the Utilities and to abide by the rules, regulations, standards and policies of the Utilities, including those contained in this Handbook. I also understand that any violation by me of the Utilities' rules, regulations, policies, practices, or standards is just cause for discipline, up to and including termination of my employment.

_____ _____

Date Print or Type Name

_____

Employee Signature

Elk River Municipal Utilities

COMMISSION POLICY

Section: Governance	Category: Delegation to Management Policies
Policy Reference: **G.4g1**	Policy Title: **Performance Metrics and Incentive Compensation**

1.0 PURPOSE AND SUMMARY

The successful performance of the ERMU is measured in terms of the Utilities' ability to meet our strategic goals and mission. By improving our efficiency and level of performance in meeting our strategic goals and mission we can improve the delivery of value to our customers.

To create incentives for employees to take personal responsibility for accomplishment of the Utilities' strategic goals and mission, the Utilities has established a Utilities Performance Metrics-based Incentive Compensation system ("UPMIC"). Through UPMIC the employees of ERMU will have an opportunity, as a group, to earn annual incentive compensation for each qualifying employee by contributing individually to the overall success of ERMU on a daily basis.

Under UPMIC, either all qualifying employees will earn an incentive compensation distribution in a given year, or none will. And not only will incentive compensation under UPMIC in that sense be an all or nothing proposition each year, but there will be an equal percentage share basis for all on which the incentive compensation will be paid out if earned. This appropriately reflects the reality that we all succeed, or fall short, together as a team.

To administer the UPMIC and measure objectively the level of performance that must be achieved for qualifying employees to earn incentive compensation, the attached UMPIC Performance Metrics Policy Scorecard ("Scorecard") has been created. The Scorecard will be subject to revision annually based on the performance metrics adopted by the Commission annually for the coming year ("Performance Metrics"). By tracking and measuring the Performance Metrics and creating incentive for employees to achieve the goals the Metrics embody, the Utilities believes it will be better able to focus efforts and resources on becoming more efficient and successful in meeting our strategic goals and mission and delivering improved value to our customers.

2.0 UTILITIES PERFORMANCE METRICS SCORECARD

As reflected on the Scorecard, the Performance Metrics are divided into the following three categories: Safety, Reliability and Quality of Utility Services; Workforce Development; and Financial Goals. These categories are used to characterize the overall strategic goals and mission of ERMU.

Under the Performance Metrics, these three main categories are then divided into various weighted factors, or sub-categories. These sub-categories, their percentage weight, and the goal or target for each, shall be established by the Utilities Commission annually. The Performance Metrics as adopted are reflected in the attached Scorecard. As discussed above, the Performance Metrics and thus the Scorecard are subject to modification and adoption by the Commission annually, which will normally occur during the Utilities' budgeting process.

3.0 UTILITIES PERFORMANCE INCENTIVE COMPENSATION DISTRIBUTION CRITERIA

Under the UPMIC a Performance-Based Compensation Incentive, if earned, will be distributed to Qualifying Employees annually. The total amount available to be earned by Utilities employees as a Performance Based Compensation Incentive each year will be an amount up to 3% of the Utilities' total gross wages paid to Qualifying Employees during the Measurement Period.

The measuring period used to calculate how much, if any, of the Performance-Based Compensation Incentive the Utilities employees have earned will be the calendar year (the "Measurement Period"). After the Measurement Period is complete and the Commission has received its audit in the spring of the year following the Measurement Period, the Performance Metrics will be applied to determine whether the Performance-Based Compensation Incentive has been earned for the Measurement Period. In doing so, the performance of the Utilities in each sub-category will be reviewed. If the sub-category performance meets or exceeds the established goal, the sub-category will be scored with the designated percentage that will contribute to a total Performance Metrics Multiplier to be used as a factor in calculating the distribution earned, if any, as shown in the Scorecard ("Multiplier"). The Multiplier has a maximum factoring effect of 100%. The Multiplier is used to determine how much, if any, of the amount established by the Commission for the UPMIC Performance-Based Compensation Incentive has been earned in the Measurement Period. (For example if the Multiplier equals 100%, the distribution would equal 3%. If the Multiplier equals 75%, the distribution would equal 2.25%.) In other words, the amount established by the Commission may be earned on an annual basis by the group of Qualifying Employees (as defined below in Section 4.0) in whole, in part, or not at all.

After the Multiplier is calculated on the Scorecard, the Performance Based Compensation Incentive earned, if any, will be distributed to Qualifying Employees. The total amount to be distributed as the Performance Based Compensation Incentive will be the product of: a) the Multiplier; and b) 3% of the Utilities' total gross wages paid to Qualifying Employees during the Measurement Period.

The percentage of the Performance Based Compensation Incentive awarded to each Qualifying Employee will be based on the gross wages of each Qualifying Employee during the Measurement Period. To each Qualifying Employee, the distribution would be allocated in a lump sum equal to the product of: a) the Multiplier; and b) 3% of that employee's gross wages paid during the Measurement Period. (For example, if a Qualifying Employee's gross wages earned during the Measurement Period were equal to $50,000 and the Multiplier was equal to 100%, the total distribution to that employee would be equal to: $50,000 x 3% x 100% = $1,500.)

If the Utilities' margins are negative due to sudden and unforeseen material changes to the industry or customer base, the Commission reserves the right to withhold distribution of the Performance Based Compensation Incentive in any given year.

4.0 EMPLOYEE QUALIFICATIONS AND DISTRIBUTION OF THE INCENTIVE COMPENSATION

An employee of the Utilities will be eligible for participation in the Performance Metrics Incentive Compensation distribution if the employee meets the following eligibility requirements and is therefore a "Qualifying Employee" for purposes of this policy.

a. The employee is in good standing with the Utilities. An employee would not be eligible while on disciplinary probation or a performance improvement action plan.

b. The employee was a Full Time or Part Time employee during the Measurement Period. Seasonal, and Temporary employees are not eligible.

The UPMIC Performance Based Compensation Incentive distribution will be made to Qualifying Employees on the first payroll date after the thirty day period following the date on which the Commission formally receives its annual auditor's report in an open meeting.

GP:3300714 v4

POLICY HISTORY:

Adopted December 12, 2012
Revised January 14, 2020
Revised December 13, 2022, effective January 1, 2023
Revised December 12, 2023, effective January 1, 2024

Elk River Municipal Utilities

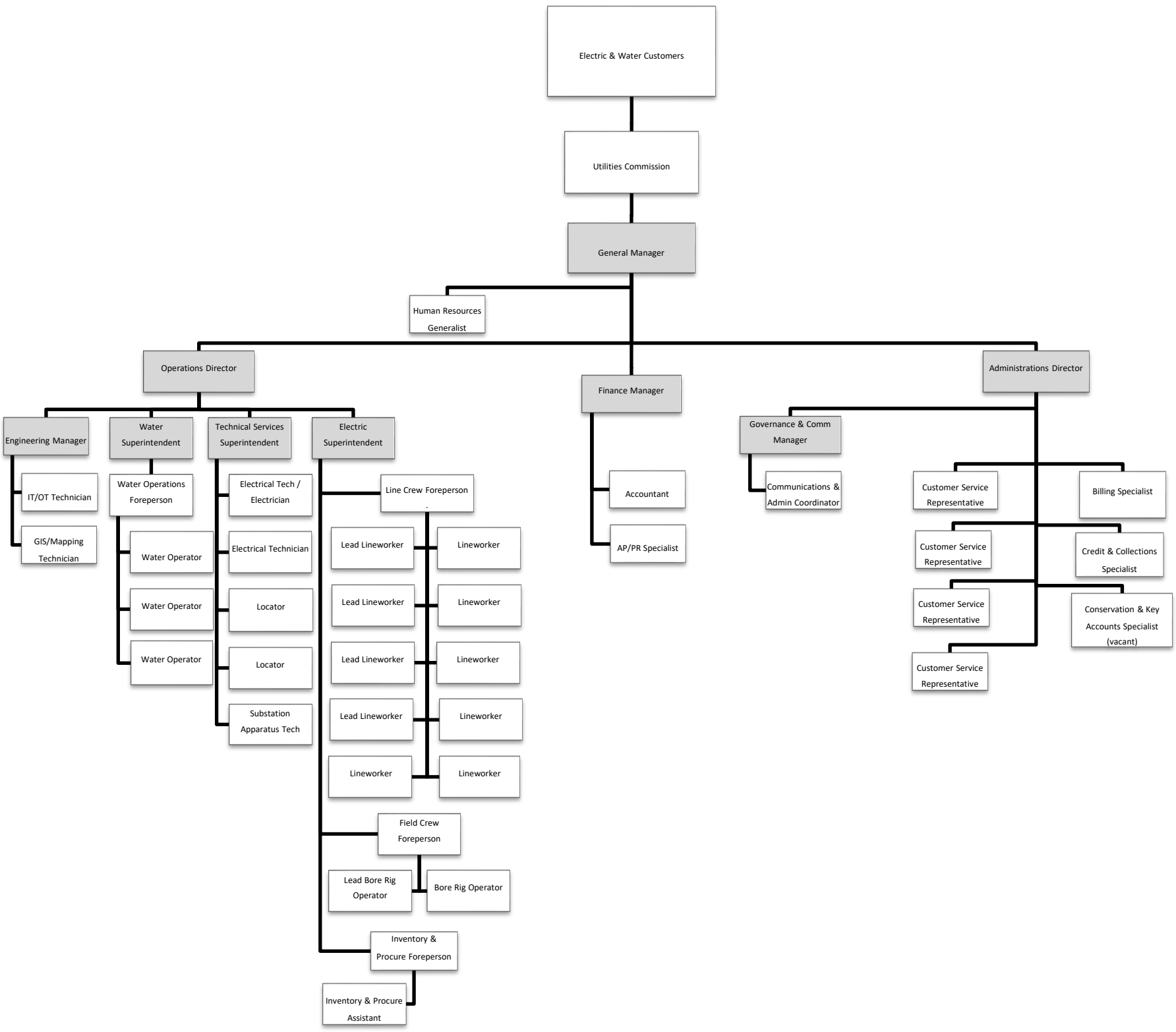
2024 GOVERNANCE AGENDA

Tuesday, January 9: • Annual Review of Committee Charters	Tuesday, February 13: • Review Strategic Plan and 2023 Annual Business Plan Results
Tuesday, March 12: • Oath of Office • Election of Officers • Annual Commissioner Orientation and Review Governance Responsibilities and Role	Tuesday, April 9: • Audit of 2023 Financial Report • Financial Reserves Allocations • Review 2023 Performance Metrics
Tuesday, May 14: • Annual General Manager Performance Evaluation and Goal Setting	Tuesday, June 4: • Annual Commission Performance Evaluation
Tuesday, July 9: • Review and Update Strategic Plan	Tuesday, August 13: • Annual Business Plan – Review Proposed 2025 Travel, Training, Dues, Subscriptions, and Fees Budget
Tuesday, September 10: • Annual Business Plan – Review Proposed 2025 Capital Projects Budget	Tuesday, October 8: • Annual Business Plan – Review Proposed 2025 Expenses Budget
Tuesday, November 12: • Annual Business Plan - Review Proposed 2025 Rates and Other Revenue • Adopt 2025 Fee Schedule • 2025 Stakeholder Communication Plan	Tuesday, December 10: • Adopt 2025 Official Depository and Delegate Authority for Electronic Funds Transfers • Designate Official 2025 Newspaper • Approve 2025 Regular Meeting Schedule • Adopt 2025 Governance Agenda • Adopt 2025 Annual Business Plan

Elk River Municipal Utilities

2024 Organizational Chart

Last Updated March 1, 2024
46 of 47 FTE



Utilities Commission Members

Paul Bell
Email: pbell@ermumn.com
Term Expires: 02/28/27

John Dietz, Utilities Chair
Council Representative
Email: jdietz@ermumn.com
Term Expires: 02/28/25

Mary Stewart
Email: mstewart@ermumn.com
Term Expires: 02/28/25

Matt Westgaard
Council Representative
Email: mwestgaard@ermumn.com
Term Expires: 02/28/26

Nick Zerwas
Email: nzerwas@ermumn.com
Term Expires: 02/28/26

2024

Utilities Commission Meeting Schedule

January						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOTE: ALL DATES ARE SUBJECT TO CHANGE

Commission meetings are held the second Tuesday of each month and begin at 3:30 p.m.
Commission meetings are held at Elk River City Hall, 13065 Orono Parkway, Elk River, MN, unless otherwise posted.
The June meeting will be held on the first Tuesday of the month to ensure a quorum with commissioners expected to attend a conference.
The August meeting will be held at 1435 Main Street, Elk River, MN as the regular location will be used for the Primary Election.

Holidays

Jan 1 - New Year's Day
Jan 15 - Martin Luther King Jr. Day
Feb 19 - Presidents' Day
May 27 - Memorial Day
June 19 - Juneteenth
July 4 - Independence Day
Sept 2 - Labor Day
Nov 11 - Veterans Day
Nov 28 - Thanksgiving
Nov 29 - Day after Thanksgiving
Dec 24 - Christmas Eve
Dec 25 - Christmas Day

2024 UPCOMING EVENTS

Sherburne County Parade

July 20, 2024

MMPA Annual Meeting

July 23, 2024 - Le Sueur, MN

MMUA Summer Conference

August 19-21, 2024 - Fargo/Moorhead

Elk River Municipal Utilities

Travel Expense Guidelines for Commissioners

Meals

Food allowances are actual expenditures for meals and gratuity, excluding alcoholic beverages. When employees travel and incur expenses to be reimbursed for meals, please use the following guidelines for spending. This spending amount is based on the IRS established "per diem" amounts for general spending of travelling individuals. **Itemized receipts must be submitted for reimbursement.**

When travelling for the entire day, the maximum to be reimbursed per day is $55. That can be distributed as $10 for breakfast, $20 for lunch, and $25 for dinner. This distribution per day is variable, as long as the maximum is not exceeded. For example, if $5 is spent on breakfast, $30 could be spent on dinner. If there are multiple days involved, the distribution per days is also variable. For example, if $45 is spent one day, $65 could be spent the next day.

If you are travelling for a partial day, and only one or two meals are involved, please use the guideline amounts per meal: $10 for breakfast, $20 for lunch, and $25 for dinner.

If you are at an event where the meal is provided and included in the fee for the event, please have that meal unless there are extenuating circumstances why you cannot (such as allergies to certain foods.)

Additionally, the IRS has established per diems for specific geographic areas of high cost. High cost areas are $76 per day, versus $55. So the per diem amount is different for Washington, DC (a designated high cost area) than Elk River, MN. If you are travelling to areas outside of Minnesota, and are concerned you may be visiting a high cost area, please feel free to visit the IRS website for a listing of these areas.

Mileage

The 2024 business mileage reimbursement rate is 67 cents per mile.

Compensation

Members of the Commission representing ERMU at meetings/conferences that are in addition to the commission meetings will receive a $75 per day stipend.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Melissa Karpinski – Finance Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 5.1
SUBJECT: Financial Report – January 2024	
ACTION REQUESTED: Receive the January 2024 Financial Report	

DISCUSSION:
Please note that these are the preliminary *unaudited* financial statements.

Electric
January's year to date (YTD) electric kWh sales are down from the prior year, 9%. For further breakdown:

- Residential usage is down 10%
- Small Commercial usage is down 12%
- Large Commercial usage is down 7%

For January 2024, the Electric Department overall is ahead of prior YTD but unfavorable to budget YTD. Additional variance analysis can be found on the Summary Electric Statement of Revenues, Expenses and Changes in Net Position attachment.

Water
January YTD gallons of water sold are down less than 0.5% from the prior year. For further breakdown:

- Residential use is down 1%
- Commercial use is up 0.2%

For January 2024, the Water Department overall is ahead of prior YTD and favorable to budget YTD. Additional variance analysis can be found on the Summary Water Statement of Revenues, Expenses and Changes in Net Position attachment.

ATTACHMENTS:

- Balance Sheet 1.2024
- Electric Balance Sheet 1.2024
- Water Balance Sheet 1.2024
- Summary Electric Statement of Revenues, Expenses and Changes in Net Position 1.2024
- Summary Water Statement of Revenues, Expenses and Changes in Net Position 1.2024
- Graphs Prior Year and YTD 2024

- Detailed Electric Statement of Revenues, Expenses and Changes in Net Position 1.2024
- Detailed Water Statement of Revenues, Expenses and Changes in Net Position 1.2024
- Budget vs Actual Graphs – Electric 1.2024
- Budget vs Actual Graphs – Water 1.2024

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
COMBINED BALANCE SHEET
FOR PERIOD ENDING JANUARY 2024

	ELECTRIC	WATER
ASSETS		
CURRENT ASSETS		
CASH	12,189,651	9,521,252
ACCOUNTS RECEIVABLE	2,376,861	5,639,076
INVENTORIES	1,191,395	15,799
PREPAID ITEMS	271,218	48,754
CONSTRUCTION IN PROGRESS	615,556	1,664,474
TOTAL CURRENT ASSETS	16,644,680	16,889,355
RESTRICTED ASSETS		
BOND RESERVE FUND	1,779,016	0
EMERGENCY RESERVE FUND	2,955,798	1,367,390
UNRESTRICTED RESERVE FUND	0	0
TOTAL RESTRICTED ASSETS	4,734,814	1,367,390
FIXED ASSETS		
PRODUCTION	824,065	16,798,616
LFG PROJECT	0	0
TRANSMISSION	2,305,024	0
DISTRIBUTION	49,317,397	27,692,862
GENERAL	24,310,102	1,224,612
FIXED ASSETS (COST)	76,756,588	45,716,091
LESS ACCUMULATED DEPRECIATION	(34,458,423)	(23,367,618)
TOTAL FIXED ASSETS, NET	42,298,165	22,348,473
INTANGIBLE ASSETS		
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	0
LOSS OF REVENUE INTANGIBLE	6,223,278	0
LESS ACCUMULATED AMORTIZATION	(3,562,237)	0
TOTAL INTANGIBLE ASSETS, NET	24,207,254	0
OTHER ASSETS AND DEFERRED OUTFLOWS	1,187,557	226,587
TOTAL ASSETS	89,072,470	40,831,805
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	5,553,112	481,455
SALARIES AND BENEFITS PAYABLE	794,961	122,792
DUE TO CITY	1,017,961	32,062
DUE TO OTHER FUNDS	0	0
NOTES PAYABLE-CURRENT PORTION	0	0
BONDS PAYABLE-CURRENT PORTION	955,000	60,000
UNEARNED REVENUE	21,972	478,439
TOTAL CURRENT LIABILITIES	8,343,007	1,174,747
LONG TERM LIABILITIES		
OPEB LIABILITY	0	0
LFG PROJECT	0	0
DUE TO COUNTY	0	0
DUE TO CITY	0	0
BONDS PAYABLE, LESS CURRENT PORTION	28,255,273	1,561,391
PENSION LIABILITIES	3,789,381	725,038
TOTAL LONG TERM LIABILITIES	32,044,654	2,286,429
TOTAL LIABILITIES	40,387,661	3,461,176
DEFERRED INFLOWS OF RESOURCES	54,129	5,121,831
FUND EQUITY		
CAPITAL ACCOUNT CONST COST	1,779,016	0
CONTRIBUTED CAPITAL	0	0
RETAINED EARNINGS	47,013,497	32,294,550
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	(161,833)	(45,752)
TOTAL FUND EQUITY	48,630,680	32,248,798
TOTAL LIABILITIES & FUND EQUITY	89,072,470	40,831,805

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
ELECTRIC BALANCE SHEET

	January 31, 2024	December 31, 2023	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	12,189,651	11,943,243	246,408
ACCOUNTS RECEIVABLE	2,376,861	2,373,501	3,360
INVENTORIES	1,191,395	1,048,510	142,884
PREPAID ITEMS	271,218	185,599	85,619
CONSTRUCTION IN PROGRESS	615,556	834,235	(218,680)
TOTAL CURRENT ASSETS	16,644,680	16,385,089	259,592
RESTRICTED ASSETS			
BOND RESERVE FUND	1,779,016	1,779,016	0
EMERGENCY RESERVE FUND	2,955,798	2,952,992	2,806
TOTAL RESTRICTED ASSETS	4,734,814	4,732,007	2,806
FIXED ASSETS			
PRODUCTION	824,065	824,065	0
TRANSMISSION	2,305,024	2,305,024	0
DISTRIBUTION	49,317,397	49,317,397	0
GENERAL	24,310,102	24,270,090	40,012
FIXED ASSETS (COST)	76,756,588	76,716,576	40,012
LESS ACCUMULATED DEPRECIATION	(34,458,423)	(34,240,006)	(218,417)
TOTAL FIXED ASSETS, NET	42,298,165	42,476,571	(178,406)
INTANGIBLE ASSETS			
POWER AGENCY MEMBERSHIP BUY-IN	21,546,212	21,546,212	0
LOSS OF REVENUE INTANGIBLE	6,223,278	6,223,278	0
LESS ACCUMULATED AMORTIZATION	(3,562,237)	(3,506,559)	(55,678)
TOTAL INTANGIBLE ASSETS, NET	24,207,254	24,262,932	(55,678)
OTHER ASSETS AND DEFERRED OUTFLOWS	1,187,557	1,187,557	0
TOTAL ASSETS	89,072,470	89,044,155	28,314
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	5,553,112	5,401,883	151,229
SALARIES AND BENEFITS PAYABLE	794,961	719,079	75,882
DUE TO CITY	1,017,961	928,921	89,040
BONDS PAYABLE-CURRENT PORTION	955,000	955,000	0
UNEARNED REVENUE	21,972	142,988	(121,016)
TOTAL CURRENT LIABILITIES	8,343,007	8,147,872	195,135
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	28,255,273	28,260,262	(4,989)
PENSION LIABILITIES	3,789,381	3,789,381	0
TOTAL LONG TERM LIABILITIES	32,044,654	32,049,643	(4,989)
TOTAL LIABILITIES	40,387,661	40,197,514	190,147
DEFERRED INFLOWS OF RESOURCES	54,129	54,129	0
FUND EQUITY			
CAPITAL ACCOUNT CONST COST	1,779,016	1,779,016	0
RETAINED EARNINGS	47,013,497	45,204,945	1,808,551
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	(161,833)	1,808,551	(1,970,384)
TOTAL FUND EQUITY	48,630,680	48,792,512	(161,833)
TOTAL LIABILITIES & FUND EQUITY	89,072,470	89,044,155	28,314

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
WATER BALANCE SHEET

	January 31, 2024	December 31, 2023	Current Month Change from Prior Month
ASSETS			
CURRENT ASSETS			
CASH	9,521,252	9,512,812	8,440
ACCOUNTS RECEIVABLE	5,639,076	5,607,298	31,778
INVENTORIES	15,799	17,102	(1,303)
PREPAID ITEMS	48,754	35,211	13,543
CONSTRUCTION IN PROGRESS	1,664,474	1,476,495	187,979
TOTAL CURRENT ASSETS	16,889,355	16,648,919	240,437
RESTRICTED ASSETS			
EMERGENCY RESERVE FUND	1,367,390	1,366,689	702
TOTAL RESTRICTED ASSETS	1,367,390	1,366,689	702
FIXED ASSETS			
PRODUCTION	16,798,616	16,798,616	0
DISTRIBUTION	27,692,862	27,692,862	0
GENERAL	1,224,612	1,224,045	568
FIXED ASSETS (COST)	45,716,091	45,715,523	568
LESS ACCUMULATED DEPRECIATION	(23,367,618)	(23,267,614)	(100,005)
TOTAL FIXED ASSETS, NET	22,348,473	22,447,910	(99,437)
INTANGIBLE ASSETS			
OTHER ASSETS AND DEFERRED OUTFLOWS	226,587	226,587	0
TOTAL ASSETS	40,831,805	40,690,104	141,701
LIABILITIES AND FUND EQUITY			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	481,455	357,914	123,540
SALARIES AND BENEFITS PAYABLE	122,792	96,405	26,387
DUE TO CITY	32,062	33,460	(1,398)
BONDS PAYABLE-CURRENT PORTION	60,000	60,000	0
UNEARNED REVENUE	478,439	438,961	39,478
TOTAL CURRENT LIABILITIES	1,174,747	986,740	188,007
LONG TERM LIABILITIES			
BONDS PAYABLE, LESS CURRENT PORTION	1,561,391	1,561,945	(554)
PENSION LIABILITIES	725,038	725,038	0
TOTAL LONG TERM LIABILITIES	2,286,429	2,286,983	(554)
TOTAL LIABILITIES	3,461,176	3,273,723	187,453
DEFERRED INFLOWS OF RESOURCES	5,121,831	5,121,831	0
FUND EQUITY			
RETAINED EARNINGS	32,294,550	30,887,406	1,407,144
NET INCOME (LOSS) (THROUGH PREVIOUS MONTH)	(45,752)	1,407,144	(1,452,896)
TOTAL FUND EQUITY	32,248,798	32,294,550	(45,752)
TOTAL LIABILITIES & FUND EQUITY	40,831,805	40,690,104	141,701

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	YTD Budget Variance	2024 YTD Bud Var%	2024 ANNUAL BUDGET	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%	Variance Item
Revenue											
Operating Revenue											
Elk River	2,784,059	2,784,059	3,135,121	(351,062)	(11)	42,685,299	2,805,567	2,805,567	(21,509)	(1)	
Otsego	271,702	271,702	244,850	26,853	11	3,514,568	250,334	250,334	21,369	9	
Rural Big Lake	16,516	16,516	19,717	(3,201)	(16)	243,412	17,051	17,051	(534)	(3)	
Dayton	19,160	19,160	22,294	(3,134)	(14)	292,752	19,710	19,710	(551)	(3)	
Public St & Hwy Lighting	21,668	21,668	21,667	1	0	260,000	21,723	21,723	(55)	(0)	
Other Electric Sales	400	400	400	0	0	4,800	400	400	0	0	
Total Operating Revenue	3,113,506	3,113,506	3,444,049	(330,543)	(10)	47,000,831	3,114,786	3,114,786	(1,280)	(0)	
Other Operating Revenue											
Interest/Dividend Income	47,245	47,245	7,083	40,162	567	85,000	9,433	9,433	37,813	401	(1)
Customer Penalties	20,145	20,145	23,750	(3,605)	(15)	285,000	21,874	21,874	(1,728)	(8)	
Connection Fees	91,385	91,385	11,250	80,135	712	135,000	6,275	6,275	85,110	1,356	(2)
Misc Revenue	79,906	79,906	83,833	(3,927)	(5)	1,016,000	67,312	67,312	12,594	19	
Total Other Revenue	238,682	238,682	125,917	112,765	90	1,521,000	104,893	104,893	133,789	128	
Total Revenue	3,352,187	3,352,187	3,569,965	(217,778)	(6)	48,521,831	3,219,679	3,219,679	132,509	4	
Expenses											
Purchased Power	2,218,997	2,218,997	2,374,835	(155,838)	(7)	32,756,447	2,215,450	2,215,450	3,548	0	
Operating & Mtce Expense	27,467	27,467	44,217	(16,749)	(38)	369,000	43,734	43,734	(16,266)	(37)	
Transmission Expense	5,559	5,559	6,000	(441)	(7)	72,000	5,118	5,118	441	9	
Distribution Expense	43,594	43,594	35,292	8,302	24	425,917	32,438	32,438	11,156	34	
Maintenance Expense	209,197	209,197	169,875	39,322	23	1,668,500	139,313	139,313	69,884	50	(3)
Depreciation & Amortization	274,095	274,095	258,968	15,127	6	3,107,612	265,028	265,028	9,067	3	
Interest Expense	66,412	66,412	66,412	0	0	785,810	69,425	69,425	(3,013)	(4)	
Other Operating Expense	4,867	4,867	4,675	192	4	506,900	4,569	4,569	298	7	
Customer Accounts Expense	33,153	33,153	36,583	(3,431)	(9)	439,000	31,915	31,915	1,238	4	
Administrative Expense	467,515	467,515	482,826	(15,310)	(3)	4,208,492	485,751	485,751	(18,235)	(4)	
General Expense	32,280	32,280	53,083	(20,804)	(39)	637,000	40,134	40,134	(7,854)	(20)	
Total Expenses(before Operating Transfers)	3,383,137	3,383,137	3,532,766	(149,629)	(4)	44,976,679	3,332,874	3,332,874	50,263	2	
Operating Transfer											
Operating Transfer/Other Funds	112,061	112,061	125,405	(13,343)	(11)	1,707,412	125,228	125,228	(13,166)	(11)	
Utilities & Labor Donated	18,821	18,821	22,000	(3,179)	(14)	264,000	20,413	20,413	(1,592)	(8)	
Total Operating Transfer	130,883	130,883	147,405	(16,522)	(11)	1,971,412	145,640	145,640	(14,758)	(10)	
Net Income Profit(Loss)	(161,833)	(161,833)	(110,205)	(51,627)	(47)	1,573,740	(258,836)	(258,836)	97,004	37	

Item Variance of +/- $25,000 and +/- 15%

(1) Budget variance is due to a conservative budgeted amount. PY variance is due to the change in Fair Market Value of Investments.

(2) Budget and PY variance due to large a large connection agreement in January 2024.

(3) Budget and PY variance is mainly due to increased tree trimming expense (contractors and ERMU labor) and transportation expense (labor) in January 2024.

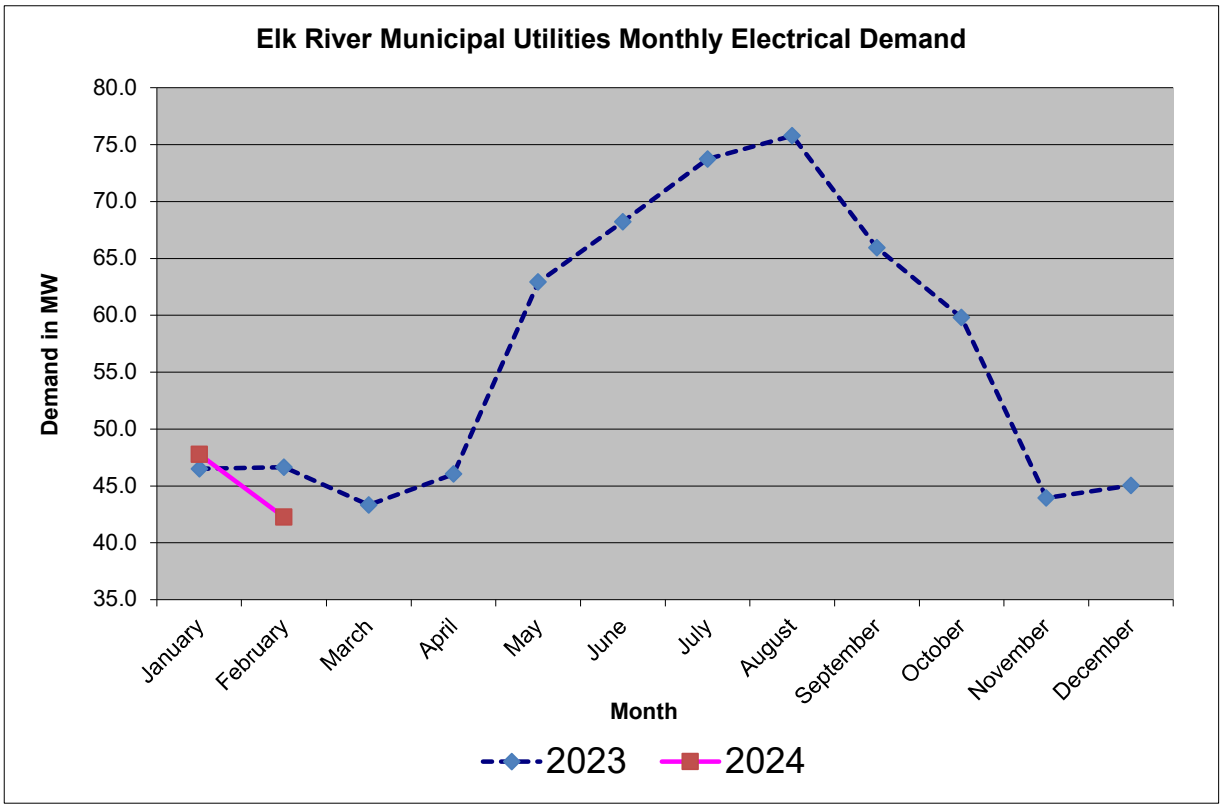
ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

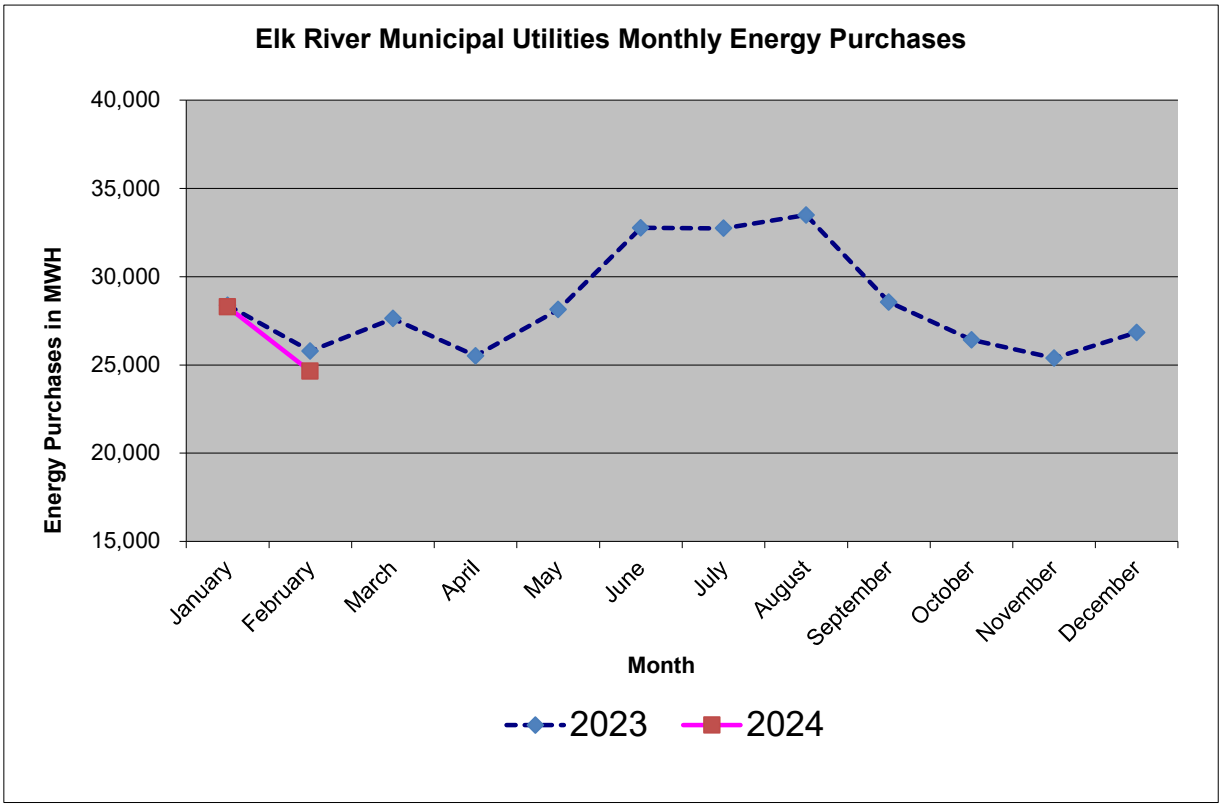
Water	2024 JANUARY	2024 YTD	2024 YTD BUDGET	YTD Budget Variance	2024 YTD Bud Var%	2024 ANNUAL BUDGET	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%	Variance Item
Revenue											
Operating Revenue											
Water Sales	135,638	135,638	125,507	10,131	8	2,788,003	134,366	134,366	1,273	1	
Total Operating Revenue	135,638	135,638	125,507	10,131	8	2,788,003	134,366	134,366	1,273	1	
Other Operating Revenue											
Interest/Dividend Income	13,839	13,839	3,458	10,381	300	41,500	3,326	3,326	10,513	316	
Customer Penalties	2,367	2,367	2,083	284	14	25,000	1,748	1,748	619	35	
Connection Fees	89,938	89,938	21,250	68,688	323	255,000	11,766	11,766	78,172	664	(1)
Misc Revenue	994	994	1,296	(302)	(23)	618,786	975	975	19	2	
Total Other Revenue	107,138	107,138	28,088	79,051	281	940,286	17,816	17,816	89,322	501	
Total Revenue	242,776	242,776	153,595	89,182	58	3,728,289	152,181	152,181	90,595	60	
Expenses											
Production Expense	12,142	12,142	9,583	2,558	27	115,000	10,599	10,599	1,543	15	
Pumping Expense	47,387	47,387	53,806	(6,419)	(12)	645,671	47,297	47,297	90	0	
Distribution Expense	15,727	15,727	60,104	(44,377)	(74)	422,250	45,157	45,157	(29,430)	(65)	(2)
Depreciation & Amortization	100,005	100,005	95,750	4,255	4	1,148,988	97,368	97,368	2,637	3	
Interest Expense	2,912	2,912	2,912	0	0	33,949	3,112	3,112	(200)	(6)	
Other Operating Expense	121	121	275	(154)	(56)	82,300	255	255	(134)	(53)	
Customer Accounts Expense	7,133	7,133	7,646	(512)	(7)	91,750	7,336	7,336	(203)	(3)	
Administrative Expense	103,041	103,041	110,388	(7,347)	(7)	1,092,624	106,850	106,850	(3,809)	(4)	
General Expense	61	61	1,271	(1,210)	(95)	15,250	506	506	(445)	(88)	
Total Expenses(before Operating Transfers)	288,528	288,528	341,735	(53,207)	(16)	3,647,782	318,480	318,480	(29,952)	(9)	
Operating Transfer											
Utilities & Labor Donated	0	0	125	(125)	(100)	1,500	0	0	0	0	
Total Operating Transfer	0	0	125	(125)	(100)	1,500	0	0	0	0	
Net Income Profit(Loss)	(45,752)	(45,752)	(188,266)	142,514	76	79,007	(166,299)	(166,299)	120,547	72	

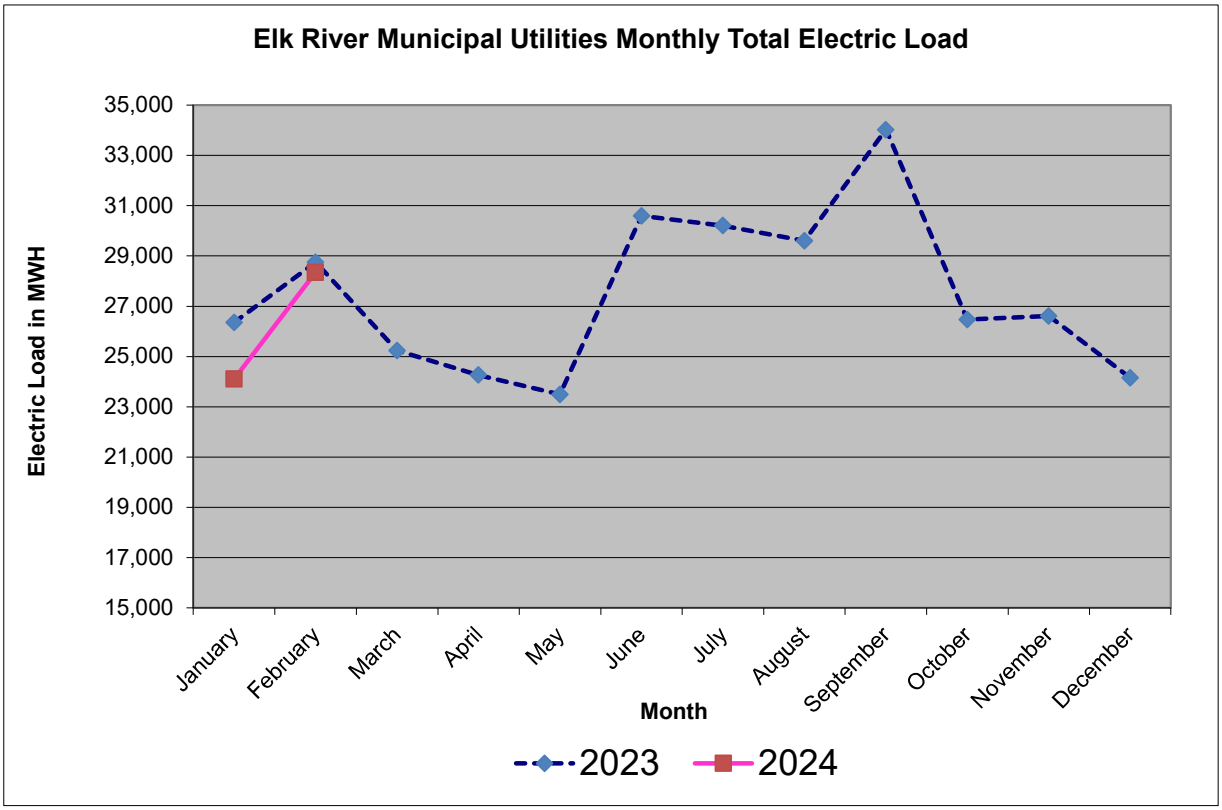
Item Variance of +/- $15,000 and +/- 15%

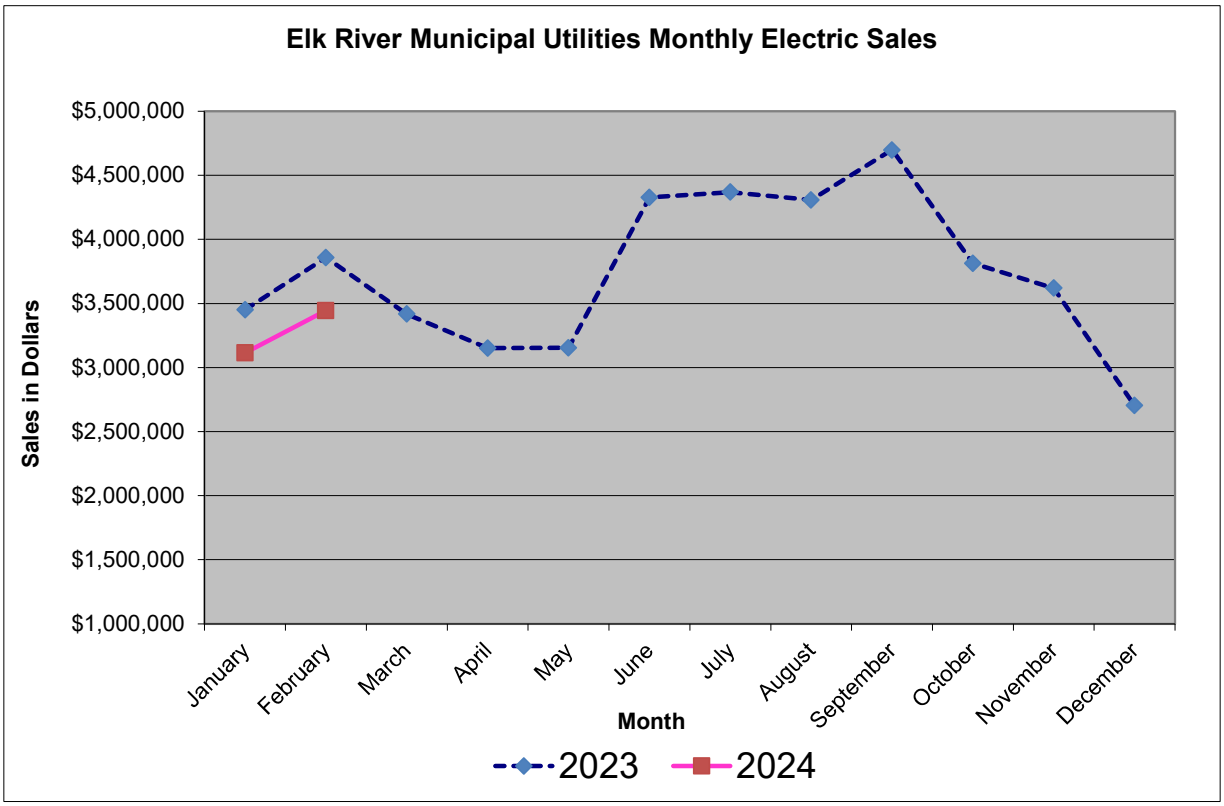
(1) Budget and PY variance due to large 2 large connection agreements in January 2024.

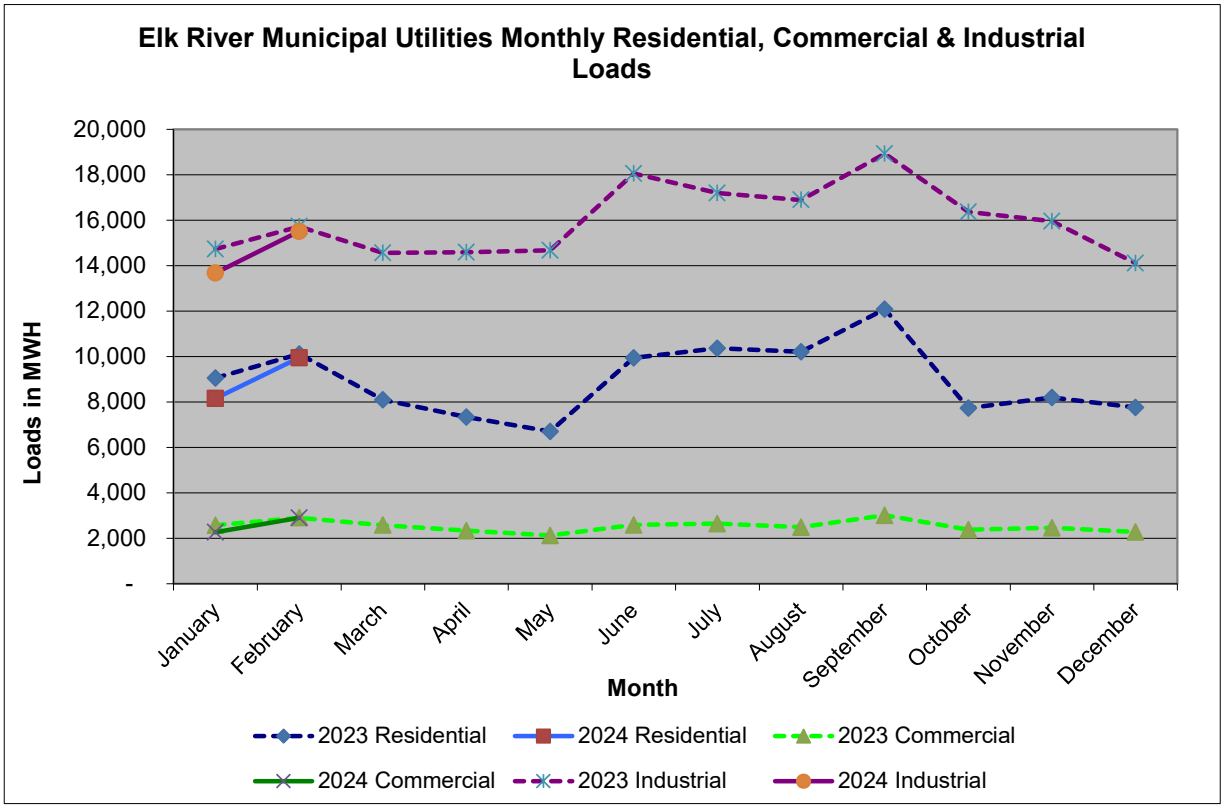
(2) Budget and PY variance is due to a 2023 water main repair and timing issue for water permit.

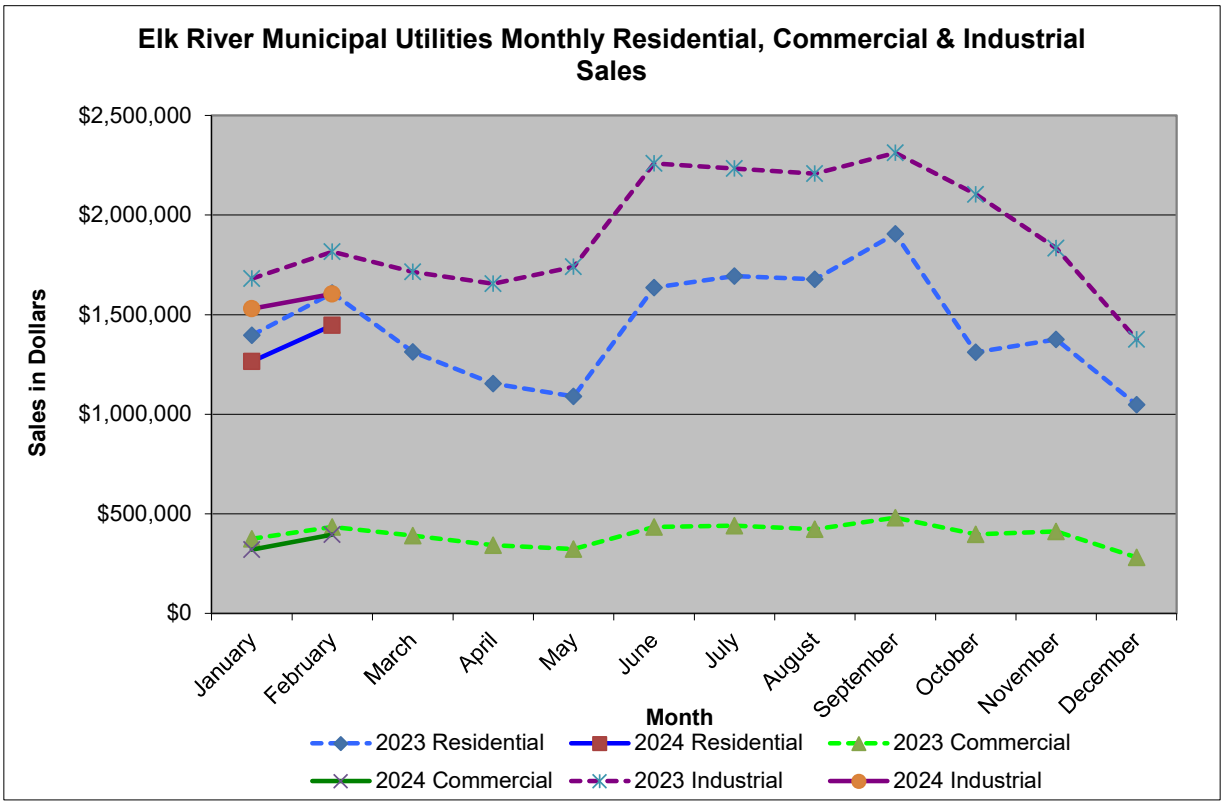

Elk River Municipal Utilities Monthly Electrical Demand
Demand in MW
80.0
75.0
70.0
65.0
60.0
55.0
50.0
45.0
40.0
35.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024

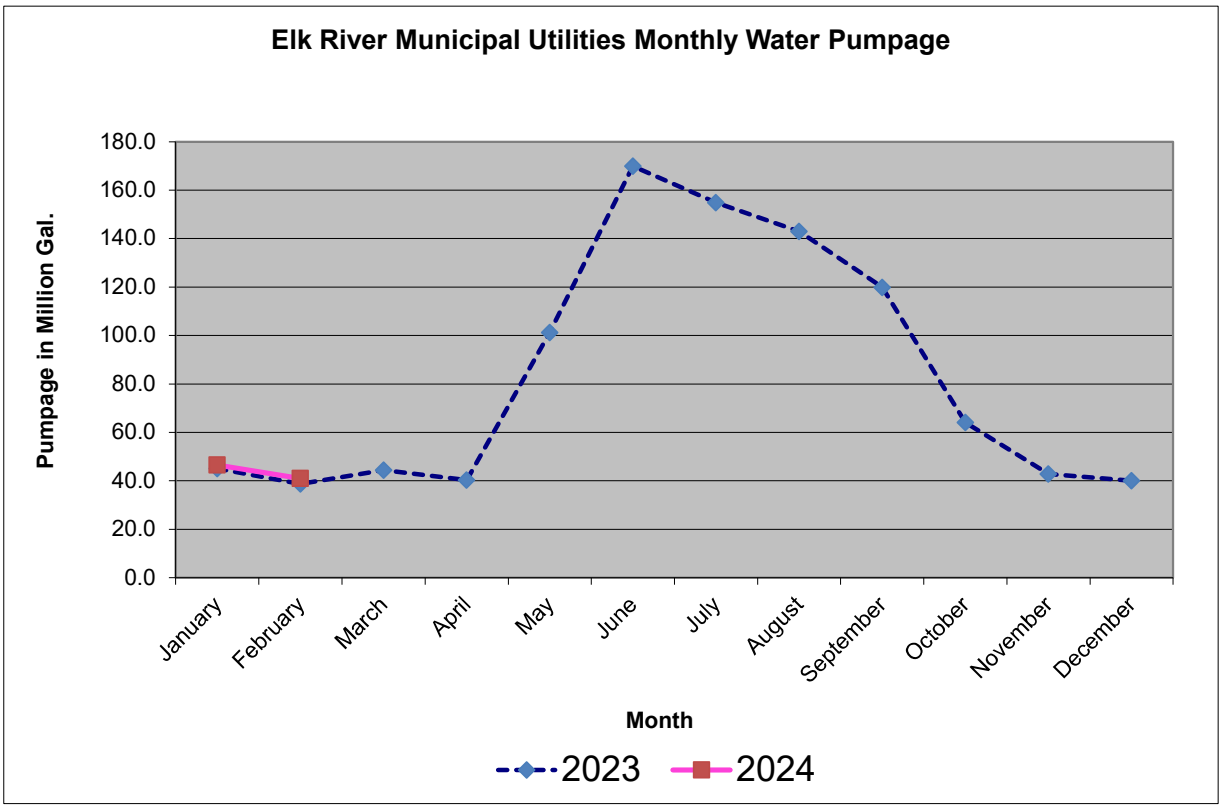

Elk River Municipal Utilities Monthly Energy Purchases
Energy Purchases in MWH
40,000
35,000
30,000
25,000
20,000
15,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024

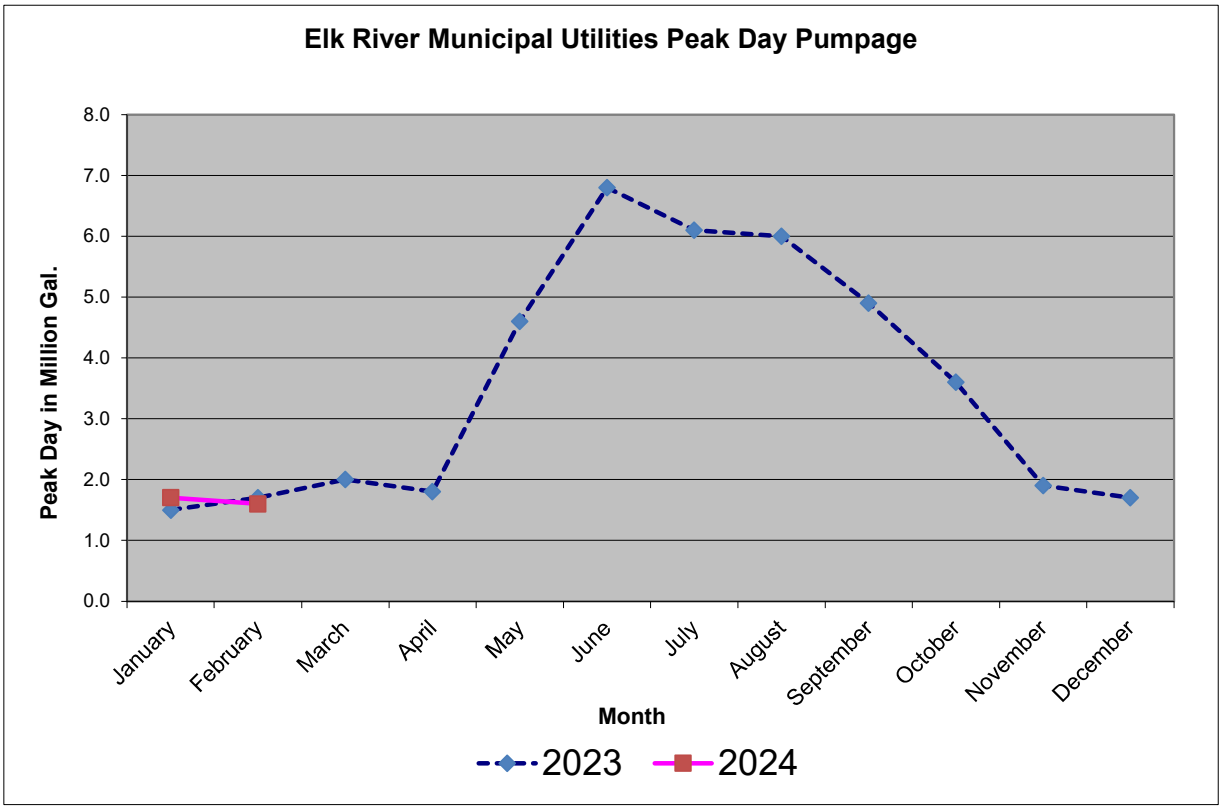

Elk River Municipal Utilities Monthly Total Electric Load
Electric Load in MWH
35,000
33,000
31,000
29,000
27,000
25,000
23,000
21,000
19,000
17,000
15,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024

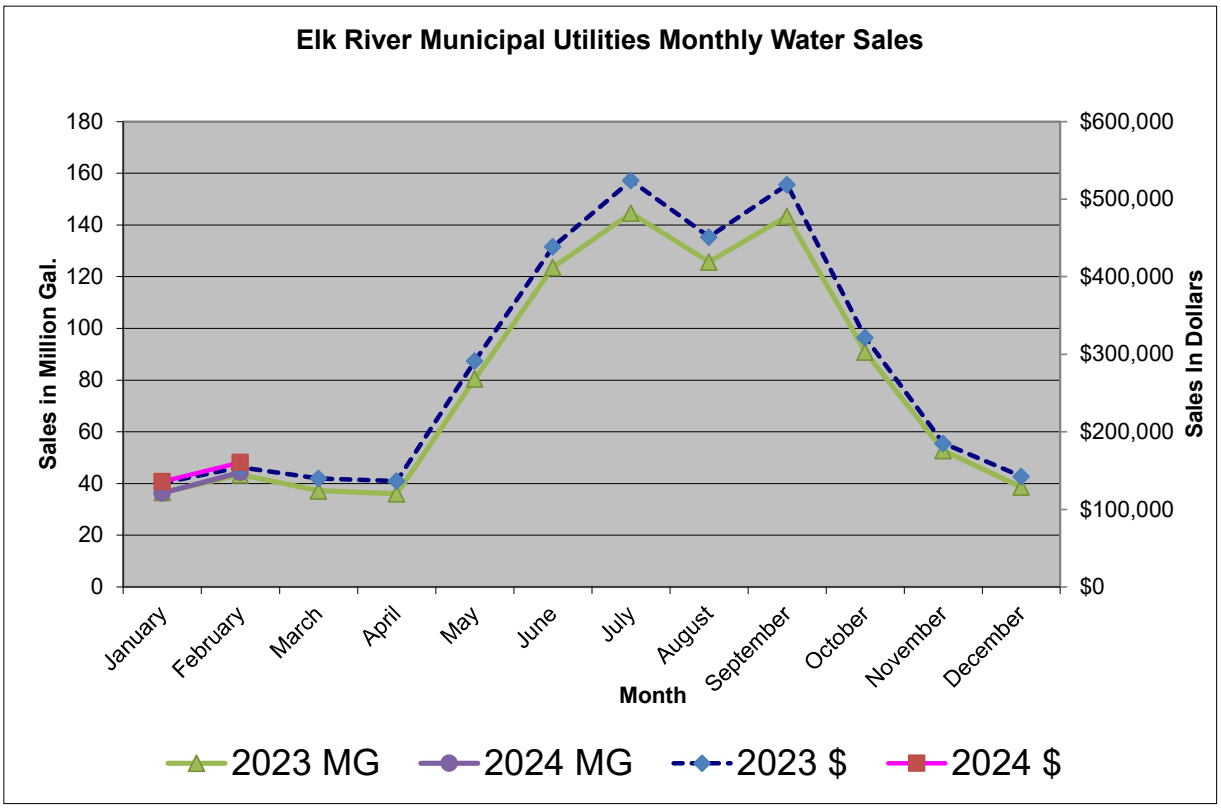

Elk River Municipal Utilities Monthly Electric Sales
Sales in Dollars
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024


Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Loads
Loads in MWH
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
-
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023 Residential
2024 Residential
2023 Commercial
2024 Commercial
2023 Industrial
2024 Industrial


Elk River Municipal Utilities Monthly Residential, Commercial & Industrial Sales
Sales in Dollars
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023 Residential
2024 Residential
2023 Commercial
2024 Commercial
2023 Industrial
2024 Industrial


Elk River Municipal Utilities Monthly Water Pumpage
Pumpage in Million Gal.
180.0
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024


Elk River Municipal Utilities Peak Day Pumpage
Peak Day in Million Gal.
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023
2024


Elk River Municipal Utilities Monthly Water Sales
Sales in Million Gal.
Sales In Dollars
180
160
140
120
100
80
60
40
20
0
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
January
February
March
April
May
June
July
August
September
October
November
December
Month
2023 MG
2024 MG
2023 $
2024 $

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Revenue									
Operating Revenue									
Elk River									
ELECT SALES - ELK RIVER RESID	1,015,025	1,015,025	1,104,214	14,221,539	(8)	1,069,498	1,069,498	(54,472)	(5)
ELECT SALES - ELK RIVER NON-D	236,554	236,554	280,126	3,634,057	(16)	273,291	273,291	(36,736)	(13)
ELECT SALES - ELK RIVER DEMA	1,247,893	1,247,893	1,367,037	19,965,865	(9)	1,290,189	1,290,189	(42,296)	(3)
PCA SALES REVENUE - ELK RIVE	93,737	93,737	125,700	1,485,155	(25)	57,531	57,531	36,206	63
PCA SALES REVENUE - ELK RIVE	25,611	25,611	35,047	408,036	(27)	16,087	16,087	9,524	59
PCA SALES REVENUE - ELK RIVE	165,236	165,236	222,994	2,970,644	(26)	98,969	98,969	66,266	67
Total For Elk River:	2,784,058	2,784,058	3,135,120	42,685,299	(11)	2,805,567	2,805,567	(21,508)	(1)
Otsego									
ELECT SALES - OTSEGO RESIDEN	110,992	110,992	104,884	1,438,521	6	110,894	110,894	97	0
ELECT SALES - OTSEGO NON-DEM	31,314	31,314	28,855	477,265	9	30,052	30,052	1,262	4
ELECT SALES - OTSEGO DEMAND	103,144	103,144	76,605	1,154,078	35	94,842	94,842	8,302	9
PCA SALES REVENUE - OTSEGO R	9,851	9,851	13,728	162,572	(28)	5,830	5,830	4,021	69
PCA SALES REVENUE - OTSEGO N	3,162	3,162	5,126	58,535	(38)	1,772	1,772	1,389	78
PCA SALES REVENUE - OTSEGO D	13,237	13,237	15,649	223,596	(15)	6,942	6,942	6,295	91
Total For Otsego:	271,702	271,702	244,849	3,514,568	11	250,333	250,333	21,368	9
Rural Big Lake									
ELECT SALES - BIG LAKE RESIDE	14,967	14,967	17,726	216,883	(16)	16,022	16,022	(1,054)	(7)
ELECT SALES - BIG LAKE NON-DE	163	163	152	4,737	7	154	154	8	5
PCA SALES REVENUE - BIG LAKE	1,377	1,377	1,796	21,268	(23)	869	869	508	59
PCA SALES REVENUE - BIG LAKE	7	7	42	522	(81)	4	4	3	100
Total For Rural Big Lake:	16,516	16,516	19,717	243,411	(16)	17,050	17,050	(534)	(3)
Dayton									
ELECT SALES - DAYTON RESIDEN	14,726	14,726	17,342	224,525	(15)	16,106	16,106	(1,380)	(9)
ELECT SALES - DAYTON NON-DE	2,875	2,875	2,710	41,609	6	2,623	2,623	251	10
PCA SALES REVENUE - DAYTON R	1,300	1,300	1,875	22,385	(31)	844	844	455	54
PCA SALES REVENUE - DAYTON	258	258	366	4,231	(30)	134	134	123	91
Total For Dayton:	19,159	19,159	22,294	292,751	(14)	19,710	19,710	(550)	(3)
Public St & Hwy Lighting									
ELECT SALES - SEC LTS	21,668	21,668	21,666	260,000	0	21,723	21,723	(55)	0
Total For Public St & Hwy Lighting:	21,668	21,668	21,666	260,000	0	21,723	21,723	(55)	0
Other Electric Sales									
SUB-STATION CREDIT	400	400	400	4,800	0	400	400	0	0

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Total For Other Electric Sales:	400	400	400	4,800	0	400	400	0	0
Total Operating Revenue	3,113,505	3,113,505	3,444,048	47,000,831	(10)	3,114,785	3,114,785	(1,279)	0
Other Operating Revenue									
Interest/Dividend Income									
INTEREST & DIVIDEND INCOME	47,245	47,245	7,083	85,000	567	9,432	9,432	37,812	401
Total For Interest/Dividend Income:	47,245	47,245	7,083	85,000	567	9,432	9,432	37,812	401
Customer Penalties									
CUSTOMER DELINQUENT PENALT	20,145	20,145	23,750	285,000	(15)	21,873	21,873	(1,728)	(8)
Total For Customer Penalties:	20,145	20,145	23,750	285,000	(15)	21,873	21,873	(1,728)	(8)
Connection Fees									
DISCONNECT & RECONNECT CHA	91,385	91,385	11,250	135,000	712	6,275	6,275	85,110	1,356
Total For Connection Fees:	91,385	91,385	11,250	135,000	712	6,275	6,275	85,110	1,356
Misc Revenue									
MISC ELEC REVENUE - TEMP CHG	440	440	416	5,000	6	1,070	1,070	(630)	(59)
STREET LIGHT	12,600	12,600	0	10,000	0	0	0	12,600	0
TRANSMISSION INVESTMENTS	55,897	55,897	55,500	666,000	1	56,700	56,700	(802)	(1)
MISC NON-UTILITY	10,968	10,968	9,166	110,000	20	9,541	9,541	1,427	15
CONTRIBUTIONS FROM CUSTOME	0	0	18,750	225,000	(100)	0	0	0	0
Total For Misc Revenue:	79,906	79,906	83,833	1,016,000	(5)	67,311	67,311	12,594	19
Total Other Revenue	238,681	238,681	125,916	1,521,000	90	104,892	104,892	133,788	128
Total For Total Other Revenue:	238,681	238,681	125,916	1,521,000	90	104,892	104,892	133,788	128
Total Revenue	3,352,187	3,352,187	3,569,965	48,521,831	(6)	3,219,678	3,219,678	132,508	4
Expenses									
Purchased Power									
PURCHASED POWER	1,709,921	1,709,921	1,703,944	24,250,423	0	1,695,635	1,695,635	14,286	1
ENERGY ADJUSTMENT CLAUSE	509,075	509,075	670,891	8,506,023	(24)	519,814	519,814	(10,738)	(2)
Total For Purchased Power:	2,218,997	2,218,997	2,374,835	32,756,447	(7)	2,215,449	2,215,449	3,547	0
Operating & Mtce Expense									
OPERATING SUPERVISION	11,443	11,443	10,916	131,000	5	10,410	10,410	1,032	10
DIESEL OIL FUEL	0	0	833	10,000	(100)	501	501	(501)	(100)
NATURAL GAS	4,885	4,885	7,000	33,000	(30)	6,733	6,733	(1,847)	(27)
ELECTRIC & WATER CONSUMPTI	6,743	6,743	7,550	66,000	(11)	4,295	4,295	2,448	57

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
PLANT SUPPLIES & OTHER EXPEN	1,959	1,959	1,250	15,000	57	6,342	6,342	(4,383)	(69)
MISC POWER GENERATION EXPE	140	140	666	8,000	(79)	644	644	(504)	(78)
MAINTENANCE OF STRUCTURE -	792	792	1,750	21,000	(55)	2,961	2,961	(2,169)	(73)
MTCE OF PLANT ENGINES/GENER	552	552	3,250	39,000	(83)	1,718	1,718	(1,165)	(68)
MTCE OF PLANT/LAND IMPROVE	950	950	11,000	46,000	(91)	10,125	10,125	(9,175)	(91)
Total For Operating & Mtce Expense:	27,467	27,467	44,216	369,000	(38)	43,733	43,733	(16,266)	(37)
Transmission Expense									
TRANSMISSION MTCE AND EXPE	5,558	5,558	6,000	72,000	(7)	5,117	5,117	441	9
Total For Transmission Expense:	5,558	5,558	6,000	72,000	(7)	5,117	5,117	441	9
Distribution Expense									
REMOVE EXISTING SERVICE & M	0	0	166	2,000	(100)	0	0	0	0
SCADA EXPENSE	2,952	2,952	3,750	45,000	(21)	2,874	2,874	77	3
TRANSFORMER EXPENSE OH & U	1,031	1,031	1,250	15,000	(17)	1,077	1,077	(45)	(4)
MTCE OF SIGNAL SYSTEMS	139	139	250	3,000	(44)	0	0	139	0
METER EXPENSE - REMOVE & RE	241	241	125	1,500	93	0	0	241	0
TEMP SERVICE - INSTALL & REM	0	0	583	7,000	(100)	0	0	0	0
MISC DISTRIBUTION EXPENSE	39,229	39,229	29,166	350,000	35	28,486	28,486	10,742	38
INTERCONNECTION CARRYING C	0	0	0	2,417	0	0	0	0	0
Total For Distribution Expense:	43,594	43,594	35,291	425,917	24	32,438	32,438	11,155	34
Maintenance Expense									
MTCE OF STRUCTURES	4,725	4,725	4,166	50,000	13	1,070	1,070	3,654	341
MTCE OF SUBSTATIONS	3,902	3,902	3,000	36,000	30	6,702	6,702	(2,800)	(42)
MTCE OF SUBSTATION EQUIPME	16,059	16,059	6,583	79,000	144	1,598	1,598	14,461	905
MTCE OF OH LINES/TREE TRIM	68,239	68,239	50,000	230,000	36	42,225	42,225	26,014	62
MTCE OF OH LINES/STANDBY	3,935	3,935	3,333	40,000	18	2,733	2,733	1,202	44
MTCE OF OH PRIMARY	15,420	15,420	14,166	170,000	9	10,186	10,186	5,233	51
MTCE OF URD PRIMARY	(8,250)	(8,250)	18,333	220,000	(145)	8,593	8,593	(16,843)	(196)
LOCATE ELECTRIC LINES	3,480	3,480	9,166	110,000	(62)	1,416	1,416	2,063	146
LOCATE FIBER LINES	0	0	125	1,500	(100)	0	0	0	0
MTCE OF LINE TRANSFORMERS	2,425	2,425	5,000	60,000	(52)	1,355	1,355	1,069	79
MTCE OF STREET LIGHTING	8,501	8,501	4,166	50,000	104	4,860	4,860	3,640	75
MTCE OF SECURITY LIGHTING	1,771	1,771	1,250	15,000	42	1,674	1,674	96	6
MTCE OF METERS	7,116	7,116	6,666	80,000	7	6,687	6,687	428	6
VOLTAGE COMPLAINTS	0	0	1,000	12,000	(100)	1,291	1,291	(1,291)	(100)
SALARIES TRANSMISSION & DIST	2,604	2,604	2,500	30,000	4	2,397	2,397	206	9

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
ELECTRIC MAPPING	30,979	30,979	8,333	100,000	272	19,409	19,409	11,569	60
MTCE OF OH SECONDARY	1,409	1,409	2,083	25,000	(32)	2,081	2,081	(671)	(32)
MTCE OF URD SECONDARY	3,709	3,709	5,000	60,000	(26)	3,752	3,752	(43)	(1)
TRANSPORTATION EXPENSE	43,166	43,166	25,000	300,000	73	21,273	21,273	21,892	103
Total For Maintenance Expense:	209,197	209,197	169,875	1,668,500	23	139,313	139,313	69,883	50
Depreciation & Amortization									
DEPRECIATION	218,417	218,417	203,290	2,439,475	7	209,350	209,350	9,066	4
AMORTIZATION	55,677	55,677	55,678	668,136	0	55,677	55,677	0	0
Total For Depreciation & Amortization:	274,095	274,095	258,968	3,107,611	6	265,028	265,028	9,066	3
Interest Expense									
INTEREST EXPENSE - BONDS	71,400	71,400	71,400	845,673	0	74,413	74,413	(3,012)	(4)
AMORTIZATION OF DEBT DISCOU	(4,988)	(4,988)	(4,988)	(59,863)	0	(4,988)	(4,988)	0	0
Total For Interest Expense:	66,412	66,412	66,412	785,810	0	69,424	69,424	(3,012)	(4)
Other Operating Expense									
EV CHARGING EXPENSE	207	207	258	3,100	(20)	289	289	(81)	(28)
LOSS ON DISPOSITION OF PROP (C	0	0	0	155,800	0	0	0	0	0
OTHER DONATIONS	0	0	250	3,000	(100)	0	0	0	0
PENSION EXPENSE	0	0	0	295,000	0	0	0	0	0
OTHER INTEREST EXPENSE	0	0	0	0	0	378	378	(378)	(100)
INTEREST EXPENSE - METER DEP	4,660	4,660	4,166	50,000	12	3,902	3,902	757	19
Total For Other Operating Expense:	4,867	4,867	4,675	506,900	4	4,569	4,569	297	7
Customer Accounts Expense									
METER READING EXPENSE	3,672	3,672	3,916	47,000	(6)	2,846	2,846	826	29
DISCONNECT/RECONNECT EXPEN	1,341	1,341	1,833	22,000	(27)	1,263	1,263	77	6
MISC CUSTOMER ACCOUNTS EXP	26,897	26,897	28,750	345,000	(6)	27,716	27,716	(818)	(3)
BAD DEBT EXPENSE & RECOVER	1,240	1,240	2,083	25,000	(40)	87	87	1,152	1,310
Total For Customer Accounts Expense:	33,152	33,152	36,583	439,000	(9)	31,914	31,914	1,237	4
Administrative Expense									
SALARIES OFFICE & COMMISSION	75,278	75,278	75,666	908,000	(1)	67,404	67,404	7,873	12
TEMPORARY STAFFING	0	0	333	4,000	(100)	0	0	0	0
OFFICE SUPPLIES	4,557	4,557	10,416	125,000	(56)	10,807	10,807	(6,250)	(58)
ELECTRIC & WATER CONSUMPTI	2,146	2,146	3,333	40,000	(36)	6,194	6,194	(4,048)	(65)
BANK FEES	135	135	208	2,500	(35)	137	137	(1)	(1)
LEGAL FEES	1,264	1,264	2,500	30,000	(49)	2,360	2,360	(1,096)	(46)
AUDITING FEES	1,640	1,640	1,833	22,000	(11)	1,623	1,623	16	1

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
INSURANCE	15,414	15,414	15,833	190,000	(3)	16,356	16,356	(942)	(6)
UTILITY SHARE - DEFERRED COM	17,288	17,288	10,000	120,000	73	20,166	20,166	(2,877)	(14)
UTILITY SHARE - MEDICAL/DENT	186,534	186,534	184,500	870,000	1	189,239	189,239	(2,704)	(1)
UTILITY SHARE - PERA	26,121	26,121	25,166	302,000	4	23,529	23,529	2,592	11
UTILITY SHARE - FICA	25,252	25,252	24,583	295,000	3	22,577	22,577	2,674	12
EMPLOYEE SICK PAY	(3,137)	(3,137)	13,750	165,000	(123)	30,487	30,487	(33,624)	(110)
EMPLOYEE HOLIDAY PAY	30,692	30,692	31,272	172,000	(2)	29,537	29,537	1,155	4
EMPLOYEE VACATION & PTO PA	49,557	49,557	41,000	275,000	21	44,114	44,114	5,442	12
UPMIC DISTRIBUTION	0	0	0	101,000	0	0	0	0	0
LONGEVITY PAY	0	0	0	6,964	0	0	0	0	0
CONSULTING FEES	2,033	2,033	8,133	97,600	(75)	0	0	2,033	0
TELEPHONE	2,911	2,911	3,166	38,000	(8)	3,495	3,495	(584)	(17)
ADVERTISING	1,632	1,632	1,583	19,000	3	1,281	1,281	350	27
DUES & SUBSCRIPTIONS - FEES	7,492	7,492	11,461	137,533	(35)	9,884	9,884	(2,392)	(24)
SCHOOLS & MEETINGS	19,856	19,856	17,000	274,894	17	5,550	5,550	14,306	258
MTCE OF GENERAL PLANT & OFFI	845	845	1,083	13,000	(22)	1,002	1,002	(157)	(16)
Total For Administrative Expense:	467,515	467,515	482,825	4,208,492	(3)	485,750	485,750	(18,235)	(4)
General Expense									
CIP REBATES - RESIDENTIAL	7,025	7,025	7,563	90,758	(7)	2,555	2,555	4,470	175
CIP REBATES - COMMERCIAL	0	0	9,333	112,000	(100)	10,980	10,980	(10,980)	(100)
CIP - ADMINISTRATION	10,000	10,000	15,247	182,965	(34)	502	502	9,497	1,888
CIP - MARKETING	813	813	4,269	51,235	(81)	4,580	4,580	(3,766)	(82)
CIP - LABOR	11,050	11,050	11,151	133,822	(1)	12,288	12,288	(1,238)	(10)
CIP REBATES - LOW INCOME	0	0	1,560	18,720	(100)	0	0	0	0
CIP - LOW INCOME LABOR	863	863	833	10,000	4	821	821	41	5
ENVIRONMENTAL COMPLIANCE	2,547	2,547	2,916	35,000	(13)	2,578	2,578	(30)	(1)
MISC GENERAL EXPENSE	(20)	(20)	208	2,500	(110)	5,827	5,827	(5,847)	(100)
Total For General Expense:	32,279	32,279	53,083	637,000	(39)	40,133	40,133	(7,853)	(20)
Total Expenses(before Operating Transfers)	3,383,137	3,383,137	3,532,765	44,976,678	(4)	3,332,874	3,332,874	50,262	2
Operating Transfer									
Operating Transfer/Other Funds									
TRANSFER TO CITY ELK RIVER R	112,061	112,061	125,404	1,707,411	(11)	125,227	125,227	(13,166)	(11)
Total For Operating Transfer/Other Funds:	112,061	112,061	125,404	1,707,411	(11)	125,227	125,227	(13,166)	(11)
Utilities & Labor Donated									

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Electric	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
UTILITIES & LABOR DONATED TO	18,821	18,821	22,000	264,000	(14)	20,412	20,412	(1,591)	(8)
Total For Utilities & Labor Donated:	18,821	18,821	22,000	264,000	(14)	20,412	20,412	(1,591)	(8)
Total Operating Transfer									
Total For Total Operating Transfer:	130,882	130,882	147,404	1,971,411	(11)	145,640	145,640	(14,757)	(10)
Net Income Profit(Loss)	(161,832)	(161,832)	(110,205)	1,573,740	(47)	(258,836)	(258,836)	97,003	37

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Water	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Revenue									
Operating Revenue									
Water Sales									
WATER SALES RESIDENTIAL	87,481	87,481	79,084	1,595,403	11	85,664	85,664	1,817	2
WATER SALES COMMERCIAL	46,521	46,521	45,078	923,908	3	47,137	47,137	(616)	(1)
WATER SALES IRRIGATION	1,635	1,635	1,344	268,691	22	1,563	1,563	71	5
Total For Water Sales:	135,638	135,638	125,507	2,788,003	8	134,365	134,365	1,272	1
Total Operating Revenue	135,638	135,638	125,507	2,788,003	8	134,365	134,365	1,272	1
Total For Total Operating Revenue:	135,638	135,638	125,507	2,788,003	8	134,365	134,365	1,272	1
Other Operating Revenue									
Interest/Dividend Income									
INTEREST & DIVIDEND INCOME	13,839	13,839	3,333	40,000	315	3,326	3,326	10,512	316
OTHER INTEREST/MISC REVENUE	0	0	125	1,500	(100)	0	0	0	0
Total For Interest/Dividend Income:	13,839	13,839	3,458	41,500	300	3,326	3,326	10,512	316
Customer Penalties									
CUSTOMER PENALTIES	2,367	2,367	2,083	25,000	14	1,748	1,748	618	35
Total For Customer Penalties:	2,367	2,367	2,083	25,000	14	1,748	1,748	618	35
Connection Fees									
WATER/ACCESS/CONNECTION FE	78,149	78,149	16,666	200,000	369	10,800	10,800	67,349	624
CUSTOMER CONNECTION FEES	3,765	3,765	2,500	30,000	51	966	966	2,799	290
BULK WATER SALES/HYDRANT R	8,022	8,022	2,083	25,000	285	0	0	8,022	0
Total For Connection Fees:	89,937	89,937	21,250	255,000	323	11,766	11,766	78,171	664
Misc Revenue									
MISC NON-UTILITY	20	20	4	50	400	0	0	20	0
TRANSFER IN FROM CITY	0	0	0	230,000	0	0	0	0	0
MISCELLANEOUS REVENUE	0	0	41	500	(100)	0	0	0	0
HYDRANT MAINTENANCE PROGR	973	973	1,250	15,000	(22)	975	975	(1)	0
CONTRIBUTIONS FROM DEVELOP	0	0	0	65,000	0	0	0	0	0
WATER TOWER LEASE	0	0	0	308,236	0	0	0	0	0
Total For Misc Revenue:	993	993	1,295	618,786	(23)	975	975	18	2
Total Other Revenue	107,138	107,138	28,087	940,286	281	17,815	17,815	89,322	501
Total For Total Other Revenue:	107,138	107,138	28,087	940,286	281	17,815	17,815	89,322	501

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Water	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Total Revenue	242,776	242,776	153,594	3,728,289	58	152,181	152,181	90,594	60
Expenses									
Production Expense									
MTCE OF STRUCTURES	12,141	12,141	9,583	115,000	27	10,598	10,598	1,542	15
Total For Production Expense:	12,141	12,141	9,583	115,000	27	10,598	10,598	1,542	15
Pumping Expense									
SUPERVISION	6,186	6,186	5,625	67,500	10	5,610	5,610	576	10
ELECTRIC & GAS UTILITIES	20,137	20,137	27,930	335,171	(28)	24,279	24,279	(4,141)	(17)
SAMPLING	1,775	1,775	1,416	17,000	25	1,656	1,656	119	7
CHEMICAL FEED	2,238	2,238	4,416	53,000	(49)	2,440	2,440	(202)	(8)
MTCE OF WELLS	16,731	16,731	13,750	165,000	22	13,018	13,018	3,713	29
SCADA - PUMPING	315	315	666	8,000	(53)	291	291	24	9
Total For Pumping Expense:	47,386	47,386	53,805	645,671	(12)	47,297	47,297	89	0
Distribution Expense									
MTCE OF WATER MAINS	2,402	2,402	14,583	175,000	(84)	20,703	20,703	(18,301)	(88)
LOCATE WATER LINES	508	508	1,437	17,250	(65)	86	86	422	485
MTCE OF WATER SERVICES	0	0	41	500	(100)	0	0	0	0
WATER METER SERVICE	3,963	3,963	5,500	66,000	(28)	1,011	1,011	2,952	292
BACKFLOW DEVICE INSPECTION	1,261	1,261	1,261	20,000	0	2,136	2,136	(875)	(41)
MTCE OF CUSTOMERS SERVICE	2,940	2,940	2,750	33,000	7	2,451	2,451	488	20
WATER MAPPING	1,564	1,564	1,250	15,000	25	443	443	1,121	253
MTCE OF WATER HYDRANTS - PU	539	539	1,666	20,000	(68)	962	962	(423)	(44)
MTCE OF WATER HYDRANTS - PR	0	0	500	6,000	(100)	240	240	(240)	(100)
WATER CLOTHING/PPE	399	399	833	10,000	(52)	31	31	367	1,147
WAGES WATER	664	664	625	7,500	6	622	622	42	7
TRANSPORTATION EXPENSE	1,481	1,481	2,000	24,000	(26)	1,058	1,058	423	40
WATER PERMIT	0	0	27,655	28,000	(100)	15,407	15,407	(15,407)	(100)
Total For Distribution Expense:	15,726	15,726	60,103	422,250	(74)	45,156	45,156	(29,430)	(65)
Depreciation & Amortization									
DEPRECIATION	100,004	100,004	95,750	1,148,987	4	97,367	97,367	2,636	3
Total For Depreciation & Amortization:	100,004	100,004	95,750	1,148,987	4	97,367	97,367	2,636	3
Interest Expense									
INTEREST EXPENSE - BONDS	3,466	3,466	3,466	40,600	0	3,666	3,666	(199)	(5)
AMORTIZATION OF DEBT DISCOU	(554)	(554)	(554)	(6,651)	0	(554)	(554)	0	0
Total For Interest Expense:	2,912	2,912	2,912	33,949	0	3,112	3,112	(199)	(6)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Water	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
Other Operating Expense									
LOSS ON DISPOSITION OF PROP (C	0	0	0	14,000	0	0	0	0	0
DAM MAINTENANCE EXPENSE	0	0	166	2,000	(100)	55	55	(55)	(100)
PENSION EXPENSE	0	0	0	65,000	0	0	0	0	0
OTHER INTEREST EXPENSE	0	0	0	0	0	94	94	(94)	(100)
INTEREST EXPENSE - METER DEP	120	120	108	1,300	12	104	104	16	15
Total For Other Operating Expense:	120	120	275	82,300	(56)	254	254	(133)	(53)
Customer Accounts Expense									
METER READING EXPENSE	190	190	208	2,500	(9)	147	147	42	28
MISC CUSTOMER ACCOUNTS EXP	6,943	6,943	7,416	89,000	(6)	7,188	7,188	(245)	(3)
BAD DEBT EXPENSE & RECOVER	0	0	20	250	(100)	0	0	0	0
Total For Customer Accounts Expense:	7,133	7,133	7,645	91,750	(7)	7,335	7,335	(202)	(3)
Administrative Expense									
SALARIES OFFICE & COMMISSION	21,880	21,880	23,750	285,000	(8)	19,496	19,496	2,383	12
TEMPORARY STAFFING	0	0	83	1,000	(100)	0	0	0	0
OFFICE SUPPLIES	1,074	1,074	3,083	37,000	(65)	1,799	1,799	(724)	(40)
ELECTRIC & WATER CONSUMPTI	536	536	916	11,000	(41)	1,144	1,144	(608)	(53)
BANK FEES	33	33	50	600	(32)	34	34	0	0
LEGAL FEES	287	287	750	9,000	(62)	590	590	(303)	(51)
AUDITING FEES	410	410	500	6,000	(18)	405	405	4	1
INSURANCE	3,460	3,460	3,583	43,000	(3)	3,016	3,016	444	15
UTILITY SHARE - DEFERRED COM	2,200	2,200	1,750	21,000	26	2,881	2,881	(680)	(24)
UTILITY SHARE - MEDICAL/DENT	39,947	39,947	40,000	220,000	0	46,074	46,074	(6,126)	(13)
UTILITY SHARE - PERA	4,942	4,942	4,666	56,000	6	4,525	4,525	416	9
UTILITY SHARE - FICA	4,797	4,797	4,500	54,000	7	4,329	4,329	468	11
EMPLOYEE SICK PAY	1,956	1,956	2,416	29,000	(19)	4,843	4,843	(2,886)	(60)
EMPLOYEE HOLIDAY PAY	4,493	4,493	5,818	32,000	(23)	4,234	4,234	258	6
EMPLOYEE VACATION & PTO PA	10,277	10,277	8,000	52,000	28	9,069	9,069	1,208	13
UPMIC DISTRIBUTION	0	0	0	21,000	0	0	0	0	0
WELLHEAD PROTECTION	0	0	170	2,000	(100)	0	0	0	0
LONGEVITY PAY	0	0	0	837	0	0	0	0	0
CONSULTING FEES	508	508	3,825	45,900	(87)	0	0	508	0
TELEPHONE	712	712	750	9,000	(5)	796	796	(83)	(10)
ADVERTISING	408	408	416	5,000	(2)	320	320	87	28
DUES & SUBSCRIPTIONS - FEES	866	866	1,600	88,114	(46)	1,282	1,282	(415)	(32)

ELK RIVER MUNICIPAL UTILITIES
ELK RIVER, MINNESOTA
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR PERIOD ENDING JANUARY 2024

Water	2024 JANUARY	2024 YTD	2024 YTD BUDGET	2024 ANNUAL BUDGET	2024 YTD Bud Var%	2023 JANUARY	2023 YTD	YTD VARIANCE	2023 v. 2024 Actual Var%
SCHOOLS & MEETINGS	4,034	4,034	3,500	61,072	15	1,755	1,755	2,279	130
MTCE OF GENERAL PLANT & OFFI	211	211	258	3,100	(18)	250	250	(39)	(16)
Total For Administrative Expense:	103,041	103,041	110,388	1,092,623	(7)	106,849	106,849	(3,808)	(4)
General Expense									
CIP REBATES - RESIDENTIAL	0	0	416	5,000	(100)	45	45	(45)	(100)
CIP REBATES - COMMERCIAL	0	0	41	500	(100)	0	0	0	0
CIP - MARKETING	0	0	166	2,000	(100)	0	0	0	0
CIP - LABOR	0	0	416	5,000	(100)	409	409	(409)	(100)
ENVIRONMENTAL COMPLIANCE	60	60	208	2,500	(71)	54	54	6	13
MISC GENERAL EXPENSE	0	0	20	250	(100)	(2)	(2)	2	100
Total For General Expense:	60	60	1,270	15,250	(95)	506	506	(445)	(88)
Total Expenses(before Operating Transfers)	288,528	288,528	341,735	3,647,781	(16)	318,480	318,480	(29,951)	(9)
Operating Transfer									
Utilities & Labor Donated									
WATER & LABOR DONATED TO CI	0	0	125	1,500	(100)	0	0	0	0
Total Operating Transfer									
Total For Total Operating Transfer:	0	0	125	1,500	(100)	0	0	0	0
Net Income Profit(Loss)	(45,751)	(45,751)	(188,265)	79,007	76	(166,298)	(166,298)	120,546	72

Beginning Fiscal Period[YYYYMM]	GL Division	GL Department
202401	61 - Elk River Electric	All
Ending Fiscal Period[YYYYMM]	**GL Activity**	**Period Type**
202401	All	All Periods

Budget Revenue Comparison & Variance
Jan, 2024 - Jan, 2024

-$217,777.97

-6.10%

Actual	Budget
$3,352,187.39	$3,569,965.36

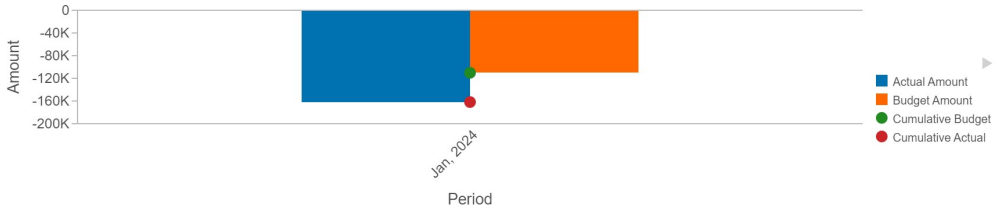
Budget Expense Comparison & Variance
Jan, 2024 - Jan, 2024

-$166,150.83

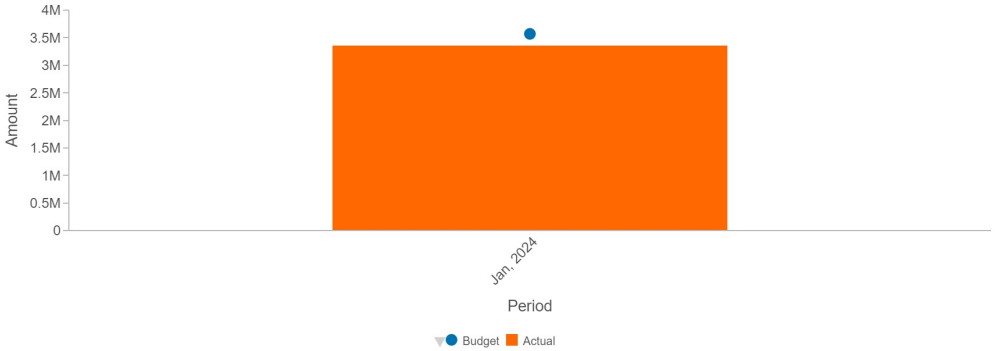
-4.51%

Actual	Budget
$3,514,019.95	$3,680,170.78

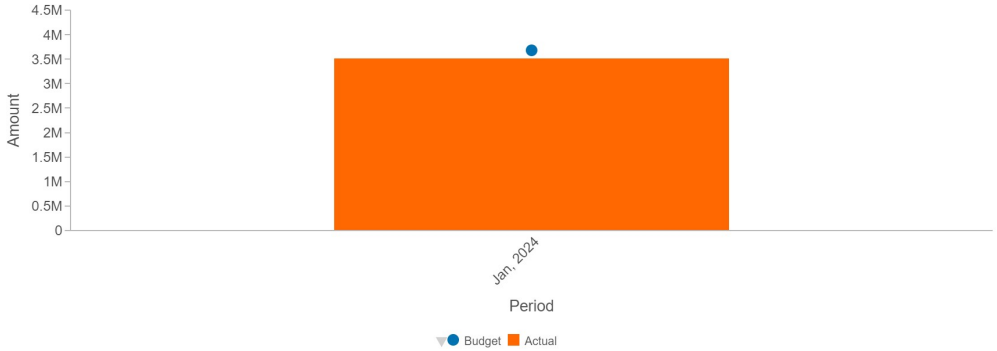
Budget Analysis by Period
Jan, 2024 - Jan, 2024



Revenue Budget vs Actual by Period
Jan, 2024 - Jan, 2024



Expense Budget vs Actual by Period
Jan, 2024 - Jan, 2024



Beginning Fiscal Period[YYYYMM]	GL Division	GL Department
202401	62 - Elk River Water	All
Ending Fiscal Period[YYYYMM]	**GL Activity**	**Period Type**
202401	All	All Periods

Budget Revenue Comparison & Variance
Jan, 2024 - Jan, 2024

$89,181.92

58.06%

Actual	Budget
$242,776.43	$153,594.51

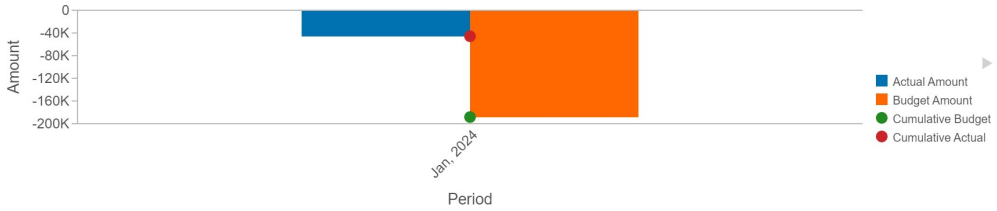
Budget Expense Comparison & Variance
Jan, 2024 - Jan, 2024

-$53,331.74

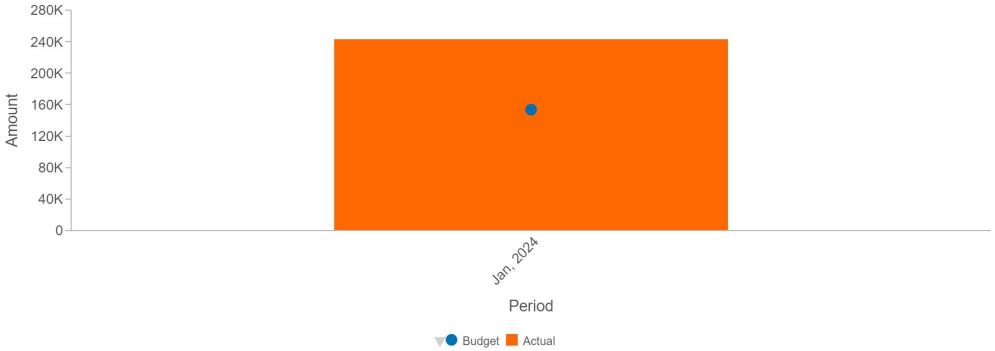
-15.60%

Actual	Budget
$288,528.27	$341,860.01

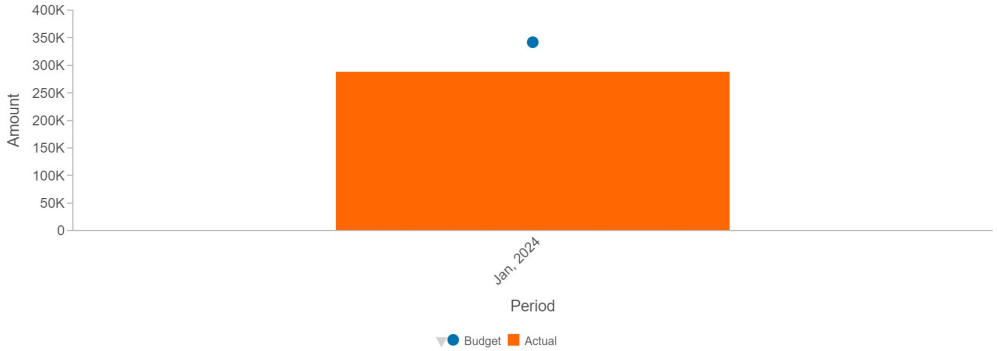
Budget Analysis by Period
Jan, 2024 - Jan, 2024



Revenue Budget vs Actual by Period
Jan, 2024 - Jan, 2024



Expense Budget vs Actual by Period
Jan, 2024 - Jan, 2024



Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	FROM: Mark Hanson – General Manager
MEETING DATE: March 12, 2024	AGENDA ITEM NUMBER: 6.1a
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- ERMU staff continue to meet with city staff and representatives from Vireo Health to identify and plan for their utility needs. We have been working through several scenarios regarding the availability of the necessary transformers and recently received their signed statement of work authorizing us to purchase the two transformers needed for the project. With an anticipated peak usage of 2.5-3.0 MW, Vireo would be our third largest customer.
- Chair Dietz, Commissioner Zerwas, and I attended the American Public Power Association Legislative Rally in Washington DC, February 26-28. The rally offers an opportunity to network with peers and lobby our MN legislative representatives on significant issues impacting public power. Our request of the legislative delegates focused on the need to deliver affordable, reliable, and sustainable public power; the supply chain crisis (especially transformers); and modernizing various financial tools. Minnesota Municipal Utilities Association (MMUA) provided the attached reference guide summarizing our concerns.
- The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met February 20, 2024, at Chaska City Hall in Chaska, Minnesota and via videoconference. Commissioner Stewart and I attended. The public summary is below:
    - Management reviewed 2023 performance. A summary of the presentation is attached.
    - The Board reviewed the Agency's financial and operating performance for January 2024.
    - Customer penetration for the residential Clean Energy Choice program increased to 5.3%. There was an increase of 54 customers participating in the residential Clean Energy Choice program from December to January.
    - The Board discussed the current business environment.
    - The Board discussed the status of renewable projects the Agency is pursuing.

ATTACHMENTS:

- MMUA Federal Issues 2024
- MMPA 2023 Year in Review

MMUA

Minnesota Municipal Utilities Association

THE POWER OF HOMETOWN UTILITIES

Federal Issues
2024 APPA Legislative Rally

Hometown services. Hometown strengths. Hometown solutions.

2024 Federal Legislative Priorities

ENSURE RELIABLE, AFFORDABLE, AND SUSTAINABLE PUBLIC POWER

Municipal utilities pride themselves on being able to provide power that consumers can rely upon to be there at any moment or to be restored quickly after a rare outage. They recognize the need to provide this power in an eco-friendly and sustainable manner.

Between 2005 and 2022, public power producers nationwide reduced CO2 emissions by 31 percent. At the same time, it is important to keep electric rates affordable. Municipal utilities face the threat of physical attacks on infrastructure, cybersecurity attacks, and work to comply with expensive mandates and regulations. There are many steps Congress can take to sustain the long history of success of public power.

MMUA asks Congress to:

- Avoid passing unfunded or underfunded mandates
- Avoid redundancy such as the reporting of suspected cybersecurity attacks to multiple entities while facilitating the sharing of timely and actionable threat information
- Provide regulatory certainty
- Ensure climate policies take into account grid reliability, affordability, and sustainability, and are based on readily available technology
- Ensure rules are not unnecessarily complex and provide needed flexibility
- Streamline permitting procedures
- Support and invest in local resiliency efforts
- Protect local control over pole attachments and oppose efforts to limit a utility's ability to provide broadband services

MMUA
Minnesota Municipal Utilities Association

ALLEVIATE THE SUPPLY CHAIN CRISIS

Critical infrastructure components, particularly distribution transformers, are not readily available. This has created an unprecedented supply chain crisis for public power utilities. As many as one in five public power infrastructure projects is delayed or even cancelled due to a lack of component parts.

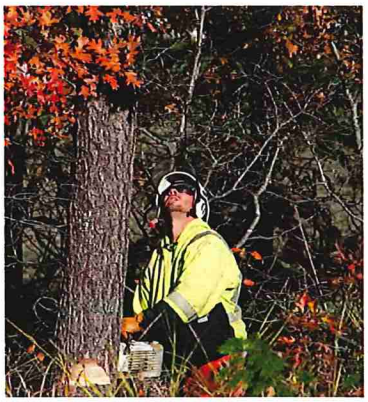
In Minnesota, as in other public power states, it is common for lead times on delivery of distribution transformers to stretch from two to five years. At the same time, proposed federal rules mandating increased efficiency for transformers threaten even longer delays. Lead times for other parts have also increased dramatically.

This supply chain crisis threatens not only the ability to continue the move towards more renewable and carbon-free power, but reliability of both local power and the electric grid as a whole. It slows down recovery time from storms and other natural disasters, even affecting mutual aid efforts when one utility hesitates to provide resources to another over a justified fear the utility may need the items for itself.

MMUA asks Congress to:

- Provide, as appropriated by the Senate, $1.2 billion for the Department of Energy's Office of Electricity and Grid Development Office to immediately begin addressing this crisis
- Delay new efficiency standards for distribution transformers
- Sign onto and pass H.R. 7171/S.3627 known as the "Distribution Transformer Efficiency and Supply Chain Reliability Act"

MODERNIZE PUBLIC FINANCE TOOLS



As part of the Inflation Reduction Act (IRA), Congress took a critical step towards modernizing public finance tools when it authorized or extended several tax credits and then approved correlated direct payment incentives for local governments.

However, Congress failed to reauthorize advance refunding of bonds, a tool that could save millions of dollars in financing public power projects. Congress also failed to increase the threshold under which a lender remains a small issuer, and it did not permanently exempt Build America Bonds or the funds for grants to public power providers under the IRA and the Infrastructure Investment and Jobs Act (IIJA) from sequestration and rescission.

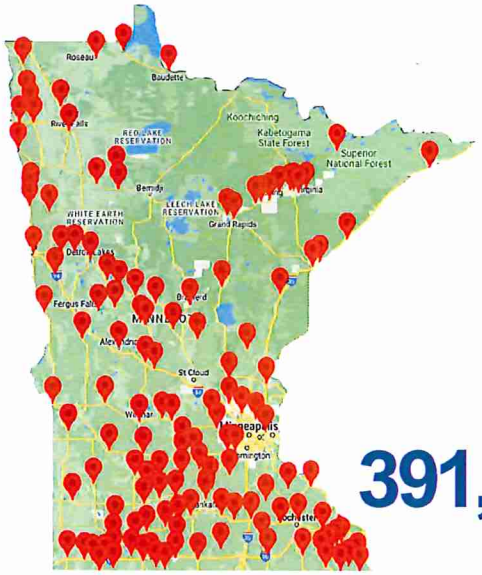
MMUA asks Congress to:

- Restore advance refund bonds
- Increase from $10 million to $30 million the threshold under which a lender remains a small issuer
- Exempt public finance bonds and grant funding from sequestration and rescission

MMUA
Minnesota Municipal Utilities Association

MMUA At a glance

Minnesota Municipal Utilities Association



33 municipal gas utilities are MMUA members.

121 municipal electric utilities serve Minnesotans.

183 municipal water utilities are MMUA members.

391,000 customers served by municipal electric utilities.

50 of the 87 county seats in Minnesota operate an electric or gas utility.

57 customers served by the smallest municipal utility, Whalan.

1,264 customers is the median amount for a MN municipal utility.

57,000 customers served by the largest municipal utility, Rochester.

Connect with the MMUA Government Relations Team

Karleen Kos
Chief Executive Officer

email: kkos@mmua.org
office: 763.746.0701
cell: 813.675.7589

Kent Sulem
Director of Government Relations and Senior Counsel

email: ksulem@mmua.org
office: 763.746.0703
cell: 612.263.0440

Bill Black
Government Relations Attorney

email: bblack@mmua.org
office: 763.746.0708
cell: 651.398.2098

mmua.org

3131 Fernbrook Lane N, Suite 200
Plymouth, MN 55447-5337

763.551.1230

Minnesota Municipal Power Agency

220 South Sixth Street Suite 1300 Minneapolis, MN 55402
tel. 612.349.6868 fax. 612.349.6108 www.mmpa.org

2023 Year in Review Summary

- Rates 12% Lower than Competitive Benchmark
- Moody's Upgraded MMPA's Bond Rating from A1 to Aa3
- Hometown BioEnergy Renewable Natural Gas Project Placed in Service
- Net Income of $31.6 Million
- Unrestricted Cash Increased by $35.4 Million
- Generated Carbon Free Energy Equal to 44% of Energy Needs
- 2024 Budget Average Rate to Members Equal to 2023
- January and February 2024 Rates Lower than Budget

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Sara Youngs – Administrations Director
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1b
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Office walk-in traffic for February consisted of 161 customers, averaging 31 customers per week over the 5-week period.
- ERMU red tag notification count for February under the Cold Weather Rule.
    - Cycle 3 – 21 red tag notifications.
    - Cycle 4 – 0 red tag notifications due to testing of Advanced Metering Infrastructure (AMI).
    - Cycle 1 – 29 red tag notifications.
    - Cycle 2 – 11 red tag notifications and 1 disconnection.
- During the month of February 2024, the customer service team entered 39 payment arrangements with customers. During February 2023 there were 45 payment arrangements.
- Currently there are 7 active residential solar photovoltaic projects planned or under construction in the ERMU service territory.
- In the last 30 days, combined the level two charger located downtown and in the parking lot in front of ERMU had 19 sessions and provided customers with 585 kWh of green energy.
- The annual Utility Distributed Generation Interconnection has been filed with the Minnesota Public Utilities Commission. Minnesota Statute 216B.1611 requires every electric utility to file all distributed energy resource systems interconnected, withdrawn, decommissioned, and in active application.
- The AMI team continues to meet weekly with National Information Solutions Cooperative and Core & Main to work through, test, and implement new processes and procedures.
- Starting with the disconnection date of February 28, 2024, customers that have the AMI electric meter installed on their residence will be disconnected and reconnected remotely.

- The communications & administrative coordinator and I will be attending Minnesota Municipal Power Agency's Energy Education Program at Meadowvale Elementary School on March 15, 2024.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Melissa Karpinski – Finance Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1c
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- The accounting department has been hard at work preparing for the 2023 annual audit. Our auditors from Abdo completed the audit field work on February 22-23. This portion of the audit was completed using a hybrid method of one day virtual and one day on-site.

- Continued work on annual surveys and reports that will be completed soon.

- National Information Solutions Cooperative held our first training session of two on March 6 for the new financial statement reporting feature. The second session is scheduled for March 13.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Tony Mauren – Governance & Communications Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1d
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- The February bill insert is the Spring 2024 Current Newsletter which will be sent to all customers. This edition gives readers information on 2024 electric and water rates, the Advanced Metering Infrastructure (AMI) meter installation project, an informational article about how the power grid brings electric services to customers, and more!

- In addition to highlighting the bill insert topic, social media posts this month feature a variety of items including the commission meeting notice, Employee Appreciation Day, daylight saving time beginning, spring cleaning conservation tips, a send off for our crews participating in the American Public Power Association's Lineworker Rodeo, and more.

- Communications staff is updating the website, forms, and processes for the residential and commercial rebate programs to be in line with the rebate management services provided by Frontier Energy.

- Staff has been meeting to review the Electric and Water Rules as part of the strategic plan initiative to reformat/update the Management Policy Manual. This is a 2023-2024 initiative.

- A press release making the public aware that ERMU is moving into the meter installation phase of the AMI project was published in the Star News on March 3. The release also provides readers with details on where they can get more information and track progress on the initiative. Our website homepage's Featured News section offers one such channel.

- The partnership with National Energy Foundation (NEF) is moving forward with three of the four elementary schools (Meadowvale, Lincoln, and Parker) in our service territory committed. In late April NEF will have their staff visiting the school for a presentation on

conservation as well as providing students with an energy saving kit to take home. Students will then be able to access ERMU's portal in the Think! Energy program site to learn how to install the materials, log their savings, play energy conservation games, and learn more.

ATTACHMENTS:

- Bill Insert – The Current Newsletter – Spring 2024

Elk River Municipal Utilities

SPRING 2024

THE CURRENT

GO GREEN, $AVE GREEN WITH ERMU

Saving money, decreasing energy usage, and conserving resources has never been easier with programs and rebates from ERMU. Take a closer look at the many ways residential and commercial customers can save.

RESIDENTIAL

- AC Tune-Up
- Energy Efficient Appliances
- Electric Vehicle Charger
- HVAC
- Irrigation Tune-Up
- Water Conservation

COMMERCIAL

- Lighting
- HVAC
- VFD and ASD Drives
- Other Equipment
- Custom Grants

Click the "Programs & Rebates" tab at ERMUMN.COM to learn more or simply scan the QR code below.

0% Increase to Electric Rates in 2024

Elk River Municipal Utilities (ERMU) is excited to announce the utilities commission approved a zero percent rate increase for electric service in 2024. The decision to maintain the current electric rates for the upcoming year reflects ERMU's ongoing efforts to provide reliable, affordable electricity to its customers.

"The decision to hold electric rates steady in 2024 is a testament to our commitment to the well-being of our community," said General Manager Mark Hanson. "We are grateful for the hard work of our staff, the dedication of our commission members, and the competitive pricing from Minnesota Municipal Power Agency, ERMU's wholesale power provider. All were instrumental in stabilizing electric rates for 2024."

ERMU continually invests in infrastructure improvements, technological advancements, and operational efficiencies to provide reliable and cost-effective electricity to its customers. By carefully managing resources and exploring innovative solutions, ERMU remains dedicated to delivering high-quality service while keeping rates affordable.

The commission also approved a two percent increase to water rates for operating expenses needed to maintain the high-quality water services customers depend on.

As a public utility, ERMU is owned by those it serves, with a stated mission to provide customers with safe, reliable, cost-effective, and quality long-term electric and water utility services.

AMI Meter Installation Set to Begin in March

ERMU will begin installing smart meters this March, ushering in the next phase of the Advanced Metering Infrastructure (AMI) project. This round of installations will replace approximately 500 electric meters across ERMU's service territory. Once this initial deployment is complete and evaluated, ERMU will move forward with installing electric meters by neighborhood, with the assistance of Allegiant Utility Services. For project updates and information, please visit the FEATURED NEWS section of our website at ERMUMN.COM.

ADVANCED METERING AMI READY INFRASTRUCTURE

2023 ERMU STATISTICS

ELECTRIC DEPARTMENT

Energy Sales **329,773,349 kWh**

Peak Demand **76 MW**

Electric Meters **13,232**

Miles of Electric Lines **635**
(83.5% is underground)

WATER DEPARTMENT

Water Sales **953,043,000 gallons**

Peak Day Usage **6,803,000 gallons**

Customers **5,611**

Miles of Water Main **126**

ERMU SCHOLARSHIP NOW OPEN

Students are encouraged to apply for the 2024 Elk River Municipal Utilties Scholarship, which offers a chance to earn $1,000 for post-secondary education. All local high school seniors who are customers or have a legal guardian who is a customer of ERMU are eligible.

To learn more, please visit our website at ERMUMN.COM.

SPRING PROJECTS? CALL BEFORE YOU DIG

Whether it's a small project or a large home improvement, every digging project should begin with a call to 811, the national call-before-you-dig phone number.

Every six minutes, an underground utility line is damaged because someone decided to dig without first calling 811. The risk of injury or even death is serious, as are the costs for repairs or fines. Whether you're putting in a fence, planting a tree, or building a deck, locating your lines before you dig can really save you!

Making Sense of the Electrical Grid

Electricity powers the world around us, but in order for that to happen the electricity has to be made, moved, and delivered to where it's needed. To achieve that, most of us rely on power from a grid. An electrical grid is an interconnected system that works together to generate, transmit, and distribute electrical energy for use in homes and businesses.

Generation

First, the power must be generated. This happens in power plants of all kinds, from coal, natural gas, and nuclear to hydro, wind, and solar. Grids rely on different sources of power generation for redundancy and to improve resilience.

Transmission and Distribution

That power is then transmitted at very high voltage to cities and towns up to 300 miles away. When it gets close to its final destination, local utilities like ERMU use transformers, substations, and subsequent infrastructure to reduce the voltage and distribute the electricity through power lines to homes and businesses.

Because power, for the most part, has to be used as it's made, all these different pieces have to work together correctly to ensure that the power stays on.

Interconnections

Although it's often referred to as "the grid," the U.S. power system is actually made up of three mostly independent grids called interconnections.

- **The Eastern Interconnection** operates in states east of the Rocky Mountains.
- **The Western Interconnection** powers everything west of that.
- **The Texas Interconnection** serves most of Texas.

Within any electric grid are interconnected local grids. These local grids provide redundancies that improve resilience against weather and other events that could cause power interruptions. The more interconnections and redundancies, the more resilient the system. That's why future advancements that could bring the three interconnections together could help improve efficiency and resilience for the entire United States.

Understanding what an electrical grid is and how it functions can help you appreciate the complexity involved in bringing power to an outlet near you.

Lineworker Appreciation Day

Thursday, April 18, 2024, is National Lineworker Appreciation Day, a time to honor the brave and dedicated men and women who work tirelessly to keep our communities powered up and connected. Day or night and in all weather conditions, lineworkers ensure that electricity reaches our homes, schools, and businesses. Their unwavering commitment and courage often go unnoticed, but their impact is immeasurable. #ThankALineworker

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Thomas Geiser – Operations Director
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1e
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Working through maps for the new GIS mapping system that we plan to move forward with in the future.

- Attending weekly Advanced Metering Infrastructure meetings along with other ERMU staff.

- Working through 2024 Projects and equipment that will be needed.

- The technical services superintendent, electric superintendent, and I attended the Minnesota Municipal Utilities Association (MMUA) Emergency Preparedness Conference in St. Cloud, February 21-22.

- Working with the City and Vireo Health on a design and transformer order for the former refuse-derived fuel plant where they intend to start operations.

- Working on my management team annual reviews.

- Staff attended a MMUA Job Training & Safety meeting on March 5 regarding clearances and switching.

- Staff are working with the City on the fiber loop from 193rd Avenue to the east around Cleveland Street and back to Main Street.

- American Test Center did its annual testing of all company bucket and digger trucks the week of March 4.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO:	FROM:
ERMU Commission	Chris Sumstad – Electric Superintendent
MEETING DATE:	**AGENDA ITEM NUMBER:**
March 12, 2024	6.1f
SUBJECT:	
Staff Update	
ACTION REQUESTED:	
None	

DISCUSSION:

- Installed 9 new residential services, which involves the connection of a secondary line once the customer requests service.

- I attended the Emergency Preparedness and Restoration Conference hosted by Minnesota Municipal Utilities Association (MMUA), January 21-22, in St. Cloud.

- I am currently working on employee annual reviews and lining up spring construction projects.

- Crews are repairing maintenance problems found during our equipment checks. Many of the problems are diagnosed with the infrared camera, which when repaired early can prevent outages later.

- Joe Schmidt, safety instructor from MMUA, was here February 28-29, and instructed on Emergency Action Plans.

- Tree trimming and electric equipment checks continued this past month. The lack of snow this winter has made both of these tasks easier.

- Equipment repairs and hotstick/grounds testing was wrapped up this past month. DOT inspections by City mechanics will wrap up towards the end of March.

- Early on the morning of February 8, feeder 92 from Station 14 substation opened causing an outage for 900 customers. The cause was tracking to the wires near an overhead pole along County Road 12 causing one phase wire to burn and fall to the ground. The crew was able to put the wire back up, splice it together, and restore power in approximately two hours.

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO:	FROM:
ERMU Commission	Mike Tietz –Technical Services Superintendent
MEETING DATE:	**AGENDA ITEM NUMBER:**
March 12, 2024	6.1g
SUBJECT:	
Staff Update	
ACTION REQUESTED:	
None	

DISCUSSION:

- In February, the locators processed 110 locate tickets. These consisted of 91 normal tickets, 3 emergency tickets, 8 updated tickets, 3 cancellations, 3 meets, 1 correction, and 1 boundary survey. This resulted in an 18.3% increase in tickets from the previous month and is a 34.1% increase from the prior February.
- Electrical technicians completed 535 service order tasks, updated the power bill, addressed customer meter issues and any off-peak concerns.
- The Advanced Metering Infrastructure (AMI) residential water meters and residential electric meters continue to be installed in new services. The electrical technicians have been busy changing out our Automated Meter Reading (AMR) to AMI meters around the system.
- The contract for meter installations has been reviewed by our legal team and fully executed (attached). This was approved pending legal review at the February meeting. We held our kick-off meeting on March 11 and are working through the initial setup processes before we move into the mass meter deployment.
- Integrating National Information Solutions Cooperative with AMI continues to progress as expected. We have resolved most of the identified issues and are currently utilizing Meter Data Management for all AMI meter reads. We will continue to read AMR meters via drive-by method until we have fully deployed all the AMI meters.
- For the month of February, staff did not run generators.
- One of my staff members will be out due to a medical procedure for approximately six weeks.
- The substation apparatus technician has been working on preparing the physical design package for East substation so that we can send this out for engineering review within the next few months.

ATTACHMENTS:

- Allegiant Utility Services AMI Endpoint Installation Agreement - Executed

AMI (ADVANCED METERING INFRASTRUCTURE) ENDPOINT INSTALLATION AGREEMENT

THIS AMI INSTALLATION AGREEMENT (the "**Agreement**") is made and entered into this 5th day of March, 2024, by and between **ELK RIVER MUNICIPALITIES UTILITIES,** a Minnesota municipal utility (designated herein as "**Utility**") and **ALLEGIANT UTILITY SERVICES, LLC**, a Delaware limited liability company (designated herein as "**Contractor**"). Utility and Contractor are sometimes hereinafter collectively referred to as the "**Parties**," and "**Party**" shall mean either of them.

WHEREAS, Utility desires Contractor to perform electric meter and water Endpoint installation services and meter technician services as set forth in this Agreement; and

WHEREAS, Contractor is a professional metering installation company, and desires and agrees to perform the meter installation services as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the Parties hereby agree as follows:

1.0 Summary Conditions

1.1 ***Scope of Work***: Except as otherwise expressly provided herein, the Contractor shall furnish at Contractor's sole expense all materials, supplies, equipment, machinery, tools, labor, transportation and other means required to complete the work described in Exhibit A (the "Statement Of Work (SOW)") and Attachment I Requirements Response and shall complete the Work in strict accordance with the terms, conditions and specifications herein and any specifications. Utility will provide GIS (Geographic Information Systems) output with premise-based Latitude and Longitude coordinates of meter premise locations. The Utility shall also provide customer data for Endpoints to be exchanged. If any conflict among the documents, their terms and conditions shall prevail in the following order:

1.1.1 Attachment I Requirements Response
1.1.2 Attachment II Pricing Response
1.1.3 Statement Of Work (Exhibit A)
1.1.4 Change Orders as provided after contracting
1.1.5 Certificate of Insurance
1.1.6 Certificate of naming Elk River Municipal Utilities as additional insured
1.1.7 Performance Bond
1.1.8 Workers' Compensation Certificate
1.1.9 Attachment III Black-Out Schedule

1.2 Utility Customer Relations: The Contractor realizes the importance of the relationship between Utility and its customers. The Contractor will make every effort to be courteous to the Utility's customers as well as respectful to the fact that all meter exchanges are being conducted on a customer's property. The Contractor will refer all questions concerning the meters to the Utility. The Contractor will also have identifying markings on their vehicles indicating they are a contractor for the Utility.

1.3 Prices and Payment for Work: Contractor will submit an invoice of all completed work at completion of each metered location once per month in accordance with Attachment II. Payment shall be made by Utility within thirty (30) days of the date of receipt of Contractor's invoice, subject to Utility's right of inspection and approval. Any payment may be withheld in whole or in part by Utility for cause based on a customer's complaint or the report or recommendations of a Utility designated inspector or approved official. If disapproved, Contractor shall have up to thirty (30) days to correct or remedy any defect or mistake, pursuant to the terms of this Agreement. Upon satisfactory performance after any disapproval, as shall be determined by Utility at its discretion, Utility shall remit payment, including any withheld amount to Contractor within thirty (30) days.

1.4 Confidentiality: "Confidential Information" means any information furnished by Utility or its representatives in connection with this Agreement regarding Utility's property, employees, finances, operations, customers, and/or financial affairs that is non-public, confidential, or proprietary in nature, whether furnished before or after the date of this Agreement and regardless of the manner in which it is furnished. Confidential Information expressly includes, but is not limited to, the names of Utility's customers, contact information of Utility's customers and any Utility customer account information. Except as may be required by law, Contractor agrees that it will not disclose, publish, or disseminate any Confidential Information to any person or entity other than its employees or agents who have a need to know to further the purpose of this Agreement and who are subject to legally binding obligations of confidentiality no less restrictive than Contractor's obligation under this Agreement.

1.5 Independent Contractor Relationship: The Contractor is an independent Contractor and is not an employee, servant, agent, partner or in a joint venture with the Utility. The Contractor shall determine how it accomplishes the Work in accordance with this Agreement. The Utility shall not control the details of the Work performed by the Contractor. The Utility is not responsible for withholding, and shall not withhold, FICA or taxes of any kind from payments which it may owe the Contractor. Neither the contractor or its employees shall be entitled to receive any benefit which employees of the Utility are entitled to receive, and shall not be entitled to unemployment compensation, medical insurance, life insurance, paid vacations, paid holidays, pensions, profit sharing, or social security on account of their work for the Utility.

1.6 Business of Contractor and Compliance with Laws: The Contractor is engaged in the business of meter installation and meter testing and holds or maintains any licenses necessary required by the federal, state, and local governments to perform this business. The Contractor

shall always take all reasonable precautions for the safety of its employees, Utility's customers, and employees, and of the public, and shall comply with all applicable provisions of Federal, State, and Municipal laws and regulations. When applicable law requires that services be performed by licensed professionals, the Contractor shall provide those services through qualified, licensed professionals. All professional engineering or design services or certifications to be provided by the Contractor, including all drawings, calculations, specifications, certifications, shop drawings and other deliverables, shall contain the signature and seal of the licensed professional preparing them. Contractor understands licensed Professional Engineer (PE) engineering needs will be limited for this engagement. Utility and its consultants shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such licensed professionals.

1.7 Compliance with the Law: This contract is governed by the laws of the state of Minnesota. The venue and jurisdiction for any court action regarding this contract shall be in Sherburne County, MN. The Contractor shall perform all obligations under this contract in strict compliance with all federal, state, municipal laws, rules, statutes, ordinances, and regulations, especially sections of the Occupational Safety and Health protection for workers, applicable to the performance of the Contractor under this contract.

1.*8 Reimbursement of Expenses*: The Utility shall not be liable to the Contractor for any expenses paid or incurred by Contractor unless otherwise agreed in writing.

1.9 Employees of Contractor: The Contractor shall be solely responsible for paying its employees. The Contractor shall be solely responsible for the paying of any and all taxes, FICA, workers' compensation, unemployment compensation, medical insurance, life insurance, paid vacations, paid holidays, pension, profit sharing, and other benefits for the Contractor and its employees, servants, and agents. Contractor understands that Contractor is responsible to pay, according to law, Contractor's income tax.

1.10 Utility is not responsible for Workers' Compensation: No workers' compensation insurance shall be obtained by Utility concerning Contractor or employees of Contractor.

1.11 Insurance: ALLEGIANT UTILITY SERVICES, LLC shall provide and maintain the minimum insurance coverage listed below. Coverage will be provided with forms and insurers acceptable to Utility, until all obligations under this Agreement are satisfied.

1. Workers' Compensation insurance to cover obligations imposed by Federal and State statutes having jurisdiction of its employees engaged in the performance of the Work, and Employers' Liability insurance with limits of not less than ONE MILLION DOLLARS ($1,000,000).

2. Comprehensive General Liability insurance with a minimum combined single limit of not less than ONE MILLION DOLLARS ($1,000,000) per occurrence and a

general aggregate of not less than TWO MILLION DOLLARS ($2,000,000). The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (with coverage for contractual and employee claims), blanket contractual liability (including coverage for liabilities assumed under this Agreement), and products and completed operations.

3. Comprehensive Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than ONE MILLION DOLLARS ($1,000,000) per occurrence covering ALLEGIANT UTILITY SERVICES, LLC.'s owned, hired, or non-owned vehicles.

4. General Liability Excess Endorsement (with coverage at least as broad as the underlying coverage) with minimum limits of not less than TEN MILLION DOLLARS ($10,000,000) per occurrence, including a "drop down" provision should an aggregate limit be exhausted.

Utility shall be included on the public liability and property damage insurance and on the comprehensive general business liability insurance as an additional named insured with a waiver of subrogation. Contractor shall furnish a Certificate of Insurance and a copy of the endorsement of additional insured to Utility showing the above obligations and requirements are provided for by a qualified insurance carrier and showing Utility as an additional named insured with a waiver of subrogation on such insurance. Contractor shall maintain such coverages in full force and effect at all times during the continuance of this Agreement and shall provide notice to Utility of any change in insurance, including cancellation, at least thirty (30) days prior to the effective date of such change or cancellation. Utility shall have the right, but no obligation, at any time to review the original of any policy held by the Contractor to ascertain coverage and amounts.

1.12 Assumption of Risk and Indemnification: The Contractor shall perform the work at its own risk and assumes all responsibility for the condition of their vehicles and supplies used on job sites. The Contractor shall indemnify, defend and hold harmless Utility and its directors, officers, agents, and employees (collectively the "Indemnitees") from any claim, demand, loss, liability, and/or damage, of whatsoever nature or kind, including those brought by employees or agents of Contractor or subcontractors, if any, arising in any way out of or as a result of any act or omission of the Contractor negligence, willful misconduct, or breach of law of the Contractor, its agents, employees, Subcontractors, and suppliers, in connection with the performance of the Contractor's work pursuant to this Agreement, by Contractor, its employees, agents, or subcontractors, and Contractor agrees to defend the Utility and the Indemnitees, and to pay all costs including attorneys' fees and expenses incurred by the Utility in defending such claims. In the event of joint or concurrent negligence of Contractor and the Indemnitees Contractor's indemnification obligation hereunder shall be limited to its allocable share of such negligence attributed to it.

1.13 No Authority to Bind Utility: Contractor has no authority to enter into contracts or agreements on behalf of Utility. This Agreement does not create a partnership between the Parties.

1.14 Term of this Agreement and Termination: This Agreement is effective as of the date signed by both Parties and shall continue in effect until completion of the project.

1.15 Time is of the Essence. Time is of the essence of this Agreement.

1.16 Termination with Cause: In the event of a breach by the Contractor of any of the provisions of the Agreement or if the Contractor does not progress on the agreed upon schedule or has a lack of attention to the project, incompetence or carelessness in the performance of any or part of this Agreement, or in the event that Contractor conducts work or performs this Agreement in a manner that, in the sole opinion of Utility, endangers the public; the Utility's customers; their equipment, property, or surrounding properties, then Utility may terminate the Agreement after giving written notice to Contractor, and such default is not cured within 10-days of Contractor receipt of such notice. Upon termination, Contractor shall immediately return to Utility, its meters, and any other property of Utility.

1.17 Termination for Convenience: Utility reserves the right, at any time, to terminate this Contract, or any portion of the work, for its sole convenience. Any such termination shall be effective by delivery of a written notice of termination to Contractor specifying the extent to which the Contract and related work have been terminated with an effective date of no less than 30 days from receipt of the termination notice.

1.18 Non-Assignment of Contract: Contractor shall not assign this Agreement or any part thereof, or enter any contract with any person, firm, corporation, or entity for the performance of the Contractor's obligations thereunder, or any part thereof, without the prior, written approval of Utility in, which approval will not be unreasonably withheld, conditioned, or delayed.

1.19 Non-Waiver: The failure of either Party to exercise its rights under this Agreement shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

1.20 Entire Agreement: This is the entire Agreement of the Parties including the exhibits and additional documents attached hereto, and supersedes all prior oral and/or written understandings or agreements with respect to the subject matter hereof.

1.21 Severability: If any part of this Agreement shall be held unenforceable, the rest of this Agreement will nevertheless remain in full force and effect.

1.22 Amendments: This Agreement may be supplemented, amended, or revised only in writing signed by both Parties.

1.23 Warranty: The installation services shall have a 12-month warranty on all craftsmanship based on installation date.

1.24 Incorporation of Additional Documents: This contract incorporates, herein by reference, the terms, and conditions of the following documents. If there is a conflict among the documents, their terms and conditions shall prevail as described in section 1.1 Scope of Work.

1.24a Attachment I Requirements Response

Mandatory Minimum Requirements

Item #	Mandatory Minimum Requirements	Comply Yes or No
1	Prime Bidders must have demonstrated and completed three successful EndPoint Installation Projects with municipal utilities that have both electric and water service.	Yes
2	The Onsite project manager of the Prime contractor must have completed three successful EndPoint installation projects with a combination of three electric utilities, three water utilities or three combo electric & water utilities.	Yes
3	Bidders must provide a bid for all services defined in the RFP. Prime Bidders are welcome to obtain subcontractors to best fill gaps in their overall solution so long as conditions in 4-6 are followed.	Yes
4	The site project manager must be an employee of the prime contractor leading the work for both electric and water.	Yes
5	A single software solution must be used for both electric and water EndPoints.	Yes
6	If using Subcontractors as part of your proposed staffing plan, Bidders must indicate what assigned staff are employees or subcontractors of the prime contractor.	Yes

For any exceptions or assumptions, Suppliers should state them in the Exception to Requirements tab.

Req. #	Elk River Municipal Utilities (Purchaser) - Requirements/Specifications for Endpoint Installation Services	Supplier Comment Required	Fully Comply and Proposed in Base Bid	Not Comply	Supplier Comments and Clarifications
	Vendors please insert a "1" in either the Fully Comply or Not Comply. Please insert comments and clarifications in Column F. Please don't add rows into this file.				*If stating Fully Comply, comments will be ignored and vendors must comply with the stated requirement as written with no exceptions.*
	Quality and Risk Control				
1	**Quality and Process Certifications:** Upon request, the Supplier should provide a list of official quality and/or process standards with which the Supplier complies (i.e. ISO 9000 family).		X		
2	**Safety**: The Supplier should have implemented a detailed and documented Safety Management Program. Please provide any available written materials that describes your safety program if you have materials readily available. You can provide this with a separate attachment to your proposal.	Yes	X		Please see detail response in RFP Bid
3	**Installation Software**: The Supplier should have a secure software-based Work Management System integrating handheld field tools with Purchaser's NISC Customer Information System and Meter Data Management System. The current vendors are NISC CIS, FlexNet (Sensus), and Esri GIS. This software is used to manage the smart meter exchange installation process.	Yes	X		Please see detail response in RFP Bid

4	**Daily Dashboard:** Supplier should have a daily dash board that provides updates each day consisting of the following: a) existing meter locations installed project to date b) meters installed current day, c) rolling schedule of future installs planned to be installed over the next 30 days. If the Supplier prior customers have found additional data to be viewed via the dashboard to be valuable, please suggest additional information to be presented.	Yes	X		Please see detail response in RFP Bid
5	**OSHA Status:** Upon request, the Supplier should display proof of the OSHA and Supplier's Workers' Compensation Board status.		X		
6	**Master Service Agreement**: Vendors should include their standard Master Services Agreement that would include warranties, insurance requirements, statement of work attachments and other standard contractual language they are proposing in this potential agreement.				
7	**Quality Processes:** Upon request, the Supplier should provide its quality process for endpoint deployment services. Please attach these process descriptions within your proposal. This primarily involves capturing the last legacy read correctly, serial numbers, form factors, water meter size, dates, etc. for the exchanged legacy to AMI Endpoints.	Yes	X		Please see detail response in RFP Bid
8	**Warranty.** Supplier shall warrant its work for 12 months following completion of installation and acceptance of all work. Supplier is requested to acknowledge its compliance with this requirement.	Yes	X		Please see detail response in RFP Bid
	Pricing References and or Comments: Electric meter Quantities				
9	All references to pricing or costs must only be defined in Attachment II Pricing. Any comments or footnotes to pricing In this Attachment I, will be ignored. The quantity of electric meters by form factor for the Supplier to install is as follows: **3 — Meter Type — Quantity** 3.1 Form 2S — 11,989 3.2 Form 2SE — 46 3.3 Form 3S — 235 3.4 Form 4S - 16S Installed by ERMU — - **Install for New Electric Meters/Modules for Installation Supplier to Install — 12,270**		X		
10	All references to pricing or costs must only be defined in Attachment II Pricing. Any comments or footnotes to pricing In this Attachment I, will be ignored. The quantity of water meters/modules and module only for the Supplier to install is as follows:				
10	**Quantities of water meters and modules in scope** **5 — NEW Water Meters, Encoders & Registers and AMI MIUs — Quantity** 5.1 Short iPerl — 3/4" — 4,546 5.2 iPerl — 1" — 338 5.3 Cordonel — 1 1/2" — 93 5.4 Cordonel — 2" — - 5.5 Cordonel — 3" — 23 5.6 Cordonel — 4" — 9 5.7 Cordonel — 6" — 1 5.8 Cordonel — 8" — - **Install for New Meters, Encoders, Registers and MIUs and Install — 5,010** **6 — Existing Meter Type — Meter Size — Quantity** 6.1 Badger E-Series Ultrasonic — 5/8" — 537 6.2 Badger E-Series Ultrasonic — 3/4" — 1 6.3 1 Hersey Mag & 5 Badger E-Series — 1" — 6 6.4 Badger E-Series Ultrasonic — 1 1/2" — 13 6.5 Badger E-Series Ultrasonic — 2" — 10 6.6 1 Badger Mag & 7 Badger E-Series — 3" — 9 6.7 1 Hersey Mag & 2 Badger E-Series — 4" — 4 6.8 Badger Mag Meter — 6" — 1 6.9 Badger Mag Meter — 8" — 1 **AMI Modules — 582**		X		
11	**Background Checks:** The Supplier may be accountable to complete a general background check on all employees to screen out individuals with criminal backgrounds, sex offenders and other categories as proposed by the Supplier for both prime and any sub-contractor employees.		X		
12	**Clothing**: EndPoint installation crew should wear clothing and drive vehicles that clearly indicate the installation company's name.		X		
13	**OSHA Trained:** Installers should be trained on OSHA safety practices and on the appropriate meter types (the meter type selected is a TBD at this time).		X		
14	**Installer's ID's**: All meter installation crews should carry proper identification, vehicles should have identifying car magnets, carry I.D., and identify themselves to all Purchaser's customers before any installations are made. Car magnets to be provided by Supplier with Purchaser design approval.		X		
15	**Ethical Behavior**: The Supplier will not collect any monies from Purchaser's customers and shall not accept any payment for services or energy furnished by Purchaser to its customers or any other person.		X		
	Safety & Environment				
16	**Personal Protection Equipment:** The Supplier should supply and require electric meter installers to use certified tested low voltage gloves, glove protectors, safety glasses, hard hat and other appropriate clothing at a minimum and should supply additional Personal Protection Equipment if required by applicable laws, codes and regulations. The Supplier should supply and require water meter installers to use gloves, safety glasses, temporary jumpers for installations without jumpers around the water meter at a minimum and should supply additional Personal Protective Equipment if required by applicable laws, codes and regulations. Please describe all aspects of clothing and safety equipment for the Supplier's installation staff.		X		
17	**Safety Procedures:** The Supplier will receive a copy of Purchaser's Safety Manual and should follow the procedures outlined in the Safety Manual. Failure to comply may be considered performance default by the Supplier. Supplier should notify Purchaser in writing if it believes there are any conflicts between the Safety Manual and applicable laws, codes and regulations.		X		
18	**Arc Flash for Electric EndPoint Installation**: All personnel working on behalf of the Supplier should be dressed in appropriate PPE category clothing, when working on energized equipment, which corresponds to the Owner's Arc-Flash Hazard Assessment latest report on file. Purchaser currently requires flame resistant clothing be worn with a minimum arc rating of 8 calories per square centimeter. 277/480 volt equipment must be de-energized before being worked on.		X		
19	**Unsafe condition**s should be reported by Supplier immediately to the Utility for resolution.		X		

20	Safety incidents may be recorded per OSHA standards.		X		
21	**Environmental Laws:** The Supplier should perform all work in accordance with State and Federal Environmental Laws.		X		
22	**Reporting Issues:** The Supplier should report any unforeseen environmental issues immediately to the Purchaser.		X		
	Inventory Management				
23	**Asset Tracking:** The Supplier should provide an electronic inventory system to track all meter and module assets down to the employee level to and from the field as well as to and from the AMI Solution contractor(s). Integration with Utilities systems may be required and assets should be updated daily.	Yes	X		We inventory tracking down to each technician using or WOM's solution Peak Workflow
24	**Tracking Chain-of-Custody:** The Supplier may utilize bills-of-ladings to track and account for material transfers between their warehouses and other users (employees, subcontractors, the Purchaser or other third parties). The Supplier may assume all liability for any inventory loss not documented with a chain-of-custody bill-of-lading transfer. Please confirm agreement to this requirement and describe your inventory managements solution.		X		
25	**Daily Inventory Reporting:** Supplier should provide Purchaser a daily inventory report of all meters and modules supplied materials in their possession.	Yes	X		We inventory tracking down to each technician using or WOM's solution Peak Workflow
26	**Periodic Inventory Reconciliation:** On a periodic basis, Supplier and Purchaser should reconcile the meters issued to Supplier vs. smart meters not otherwise installed or returned to Purchaser by Supplier up to that point in time. Supplier should acknowledge this requirement.		X		
	Work Order Management and Handhelds: IT and Security				
27	**Supplier to Provide Work Order Management Process**: Supplier should provide its own Work Order Management (WOM) system to implement all aspects of work performed under this RFP. Supplier should develop a Work Order Management process and work flows that cover all activities in this RFP. Supplier's processes should include the methodology used to manage and control individual installations from a scheduling, completion and close out standpoint, including any coordination required with Purchaser. Supplier should provide an overview of its proposed WOMs as part of its response to this RFP.	Yes	X		Please see detail response in RFP Bid
28	**Purchaser to Use NISC AppSuite for Purchaser to Install Selected EndPoints:** To complete selective meter installations, Purchaser will be using their NISC AppSuite mobile workforce software to process the following: 1) replacing a failed AMI meter and/or Module with a new AMI meter and or Module, 2) Replacing a water meter that failed, 3) for new construction and adding the initial meter/module to a new premise. For these use cases, there is **no** assumed need to integrate NISC AppSuite with the Supplier's software but we are asking the Supplier to state what their typical approach is for the utility to complete AMI meter installations with these type of use cases. When Purchaser installs an AMI meter, the Purchaser's NISC CIS will be updated with the appropriate AMI metering asset information.	Yes	X		Please see detail response in RFP Bid
29	**Change a Scheduled Account from Supplier to Purchaser:** The Supplier must have the capability to view via the Supplier's WMS a scheduled EndPoint installation premise account and change the status for the EndPoint to be installed by the Purchaser versus by the Supplier.	29	X		
30	**Handheld Devices Used by Supplier Staff**. Supplier should provide all hand held computers, tablets, smart phones or other devices required to schedule, implement, program, and activate the smart meter/ module deployments and the recording of information associated with the installation process. These devices should be an integral part of its Work Order Management system and processes. Supplier's system should have the ability to dispatch and push data to individual workers and to monitor progress throughout the day, and the ability to capture pictures, snap GPS LAT/LON and utilize barcode scanners. Supplier's application is expected to validate Supplier collected data against expected values and to either create exceptions if those values are not met, or to prompt the installer to try again. Ideally, once the work order has been completed. Supplier's system should have the ability to upload completed data to the dispatch application wirelessly.	Yes	X		
31	**Installer Notes in Handheld**: The WMS handled system must allow notes entered by installer primarily for premise access issues i.e. a) arrived at premise for scheduled appt at 8:30 am 10/15/23, b) electric meter located behind locked gate and don't have entry, c) large dog in yard near electric meter and concerned for safety.	Yes	X		
32	**Scripting.** Supplier's work order management system should have the capability to load scripts onto handhelds that direct installers to execute certain activities when at a premise. This capability should be a part of the work order system, and be based on the agreed to logical workflows. Supplier should develop and test scripts prior to start of deployment, and update these periodically as conditions change or requirements warrant, without impact to the deployment schedule. The Supplier's scripts should cover all requirements contained in this RFP.		X		
33	**Minimizing Errors.** the Purchaser seeks to eliminate exceptions caused by installation errors. Supplier should design its processes to minimize data errors entered by an installer, such as wrong meter number, incorrect meter read, etc., by establishing data checks in its handhelds and work order management system. Supplier should also design its system to provide prompts that assure that the installer is at the correct premise prior to commencing the meter exchange and module installation process. Please describe Suppliers tools and/or processes developed to minimize installation exception errors.	Yes	X		
34	**Exceptions Caused by Supplier Errors:** When the legacy to AMI meter exchange produces exceptions and those exceptions are determined to be caused by keying errors by the Supplier, the Purchaser will track these errors and report a credit request of $10 per error recorded. The tracking of these exception errors will be submitted monthly by the Purchase.	Yes	X		
35	**Notes in Mobile Device:** The Work Order Management system should support the loading of premise specific information such as meter location, access issues, meter behind gate, etc.		X		
35	**Real-Time Dynamic Scheduling**: Work Order Management system should have the ability to dispatch and push data to individual workers, monitor progress throughout the day, and report on this progress i.e. change of appointment time for a water meter change-out.		X		
36	**Special Instructions by Account**: Work Order Management system should have the capability to load special instructions or codes onto handhelds that direct installers to execute certain activities when at premises.		X		
37	**Meter Exchange Black-Out Dates**: Supplier must follow the defined black-out dates as listed below: In summary. 1) Schedule has been adjusted for holiday/closed office days. 2) The Friday BEFORE the read meter task is the first day of the black out. (Starting at the beginning of the business day. 3) The meter read date should match what we currently have on the Billing calendar. 4) The Thursday AFTER the billing date is the end date of the black out. (Starting at the beginning of the business day).		X		

38	**Cycle Planning:** Upon award, Supplier should provide its detailed process and work flows for meter cycle selection and cycle requests that it plans to use. As part of the routine execution of its work, the Supplier may be required to provide periodic cycle Requests prior to release of cycle data to Supplier, so that Purchaser can confirm that Supplier's cycle Request meets all Network Deployment and other business requirements of the Purchaser prior to release and approval. Meter replacements may be suspended during billing windows based on the cycle. Purchaser has provided a file listing specific meters to be installed by month and a listing of the current meter cycle that each meter belongs to but we are not providing any cycle planning scripts. A GIS map can be provided with the general location of each meter. Purchaser may request irrigation and seasonal meters to be done during the months of July-September Cycle / Black Out Date / Meter Begin Read / Black Out End 1 / 9/1/2023 / 9/5/2023 / 9/14/2023 2 / 9/8/2023 / 9/12/2023 / 9/21/2023 3 / 9/15/2023 / 9/19/2023 / 9/28/2023 4 / 9/22/2023 / 9/26/2023 / 10/5/2023 1 / 9/29/2023 / 10/3/2023 / 10/12/2023 2 / 10/6/2023 / 10/10/2023 / 10/19/2023 3 / 10/13/2023 / 10/17/2023 / 10/26/2023 4 / 10/20/2023 / 10/24/2023 / 11/2/2023 1 / 11/3/2023 / 11/7/2023 / 11/16/2023 2 / 11/9/2023 / 11/14/2023 / 11/27/2023 3 / 11/17/2023 / 11/21/2023 / 11/30/2023 4 / 11/22/2023 / 11/28/2023 / 12/7/2023 1 / 12/1/2023 / 12/5/2023 / 12/14/2023 2 / 12/8/2023 / 12/12/2023 / 12/21/2023 3 / 12/15/2023 / 12/19/2023 / 12/28/2023	Yes	**X**		We will load all Blackout dates into our WOM's solution to ensure meters will not be changed out when they are up for billing.
39	**Day Look Ahead**: Supplier may be required, on a daily basis, to provide purchaser with a "1-day look ahead" that contains the key cycles that Supplier intends to deploy meters and modules on. The format of the data should be mutually agreed to.	Yes	X		
	Information Technology				
40	**Data Security, Synchronization, and Upload.** Through automated means, the Supplier should record all appropriate meter exchange and module installation information and provide the data in a common readable electronic format for batch upload into Purchaser' IT systems no later than end of the business day.		**X**		
41	**Minimum Information Required.** The Supplier should list the minimum customer information that Purchaser will need to supply to perform the work.		**X**		
42	**Batch Completion of AMI Meter Exchange Installation Service Orders** - "To Utility", on no less than a daily basis, Supplier should process the completion of bulk AMI meter exchanges and send to Purchaser's CIS. The file data requirements, format, transfer methodology and frequency of these requests should be mutually agreed to between Supplier and Purchaser. Note, Attachment IV defines the Integration to Meter Exchange Integration method.	Yes	**X**		
	Data Elements and Installer Tasks for Electric Change-Outs. The Supplier should capture and transfer the data elements listed below: The Supplier should capture and transfer the data elements listed below:				
43	ID of the installer.		X		
44	Date/time the order is completed.		X		
45	Read from the removed electric meter.		X		
46	Read from the new electric meter. The reading from the electric meter being installed is expected to be zero.		X		
47	Serial number of the electric meter being installed.		X		
48	Sensus FlexNet ID Number.		X		
49	Meter number of the electric meter being removed; if applicable.		X		
50	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as		X		
51	Comments section is to include the correct versus incorrect data found and note follow-up flag details.		X		
52	Premise as-found condition (based on list to be provided by Purchaser).		X		
53	Premise as-left condition (based on list to be provided by Purchaser).		X		
54	Certification that locks and seals are in place - Y/N.		X		
55	Global Positioning System (GPS). The Supplier should capture GPS spherical (latitude, longitude, and altitude) coordinates for each electric meter with an accuracy no worse than plus or minus three (+/- 3) meters. The process description should include specifications for the field device to be used, device settings (e.g., PDOP mask value, etc.), and any differential processing method to be used. Data should be delivered in a format with a spatial reference that can be readily used by Purchaser's' GIS.		X		
56	Digital photograph of the as-found meter/meter read.		X		
57	Digital photograph of the empty electric meter can with meter removed.		X		
58	Digital photograph of the as-left meter/meter read (Meter Socket).		X		
59	If repair required, a digital photograph of the electric meter with the meter removed revealing appearance.		X		

60	Meter Attachment Type: Home, pole or meter ped.		X		
61	Secondary wire size: #6, #4, 1/0, 2/0, 4/0 or 250 AL or CU.		X		
62	Meter Clearance: 3 feet in front and 3 feet on the sides.. Yes or No. If < 3 feet provide photo.		X		
63	Meter socket accessibility concern		X		
64	By Pass Meter Socket: Yes or No.		X		
65	Meter socket amperage rating		X		
66	Does meter/stand pipe need attention: Yes or No….Provide Comments.		X		
67	Identify any damaged meter sockets that require repair or replacement and/or or minor repairs.		X		
68	**Meter Seal Lid/Ring**: Once a meter is replaced, the lid and/or ring will be placed back on the meter base and the appropriate meter seal will be used to seal the meter. Supplier will follow Purchaser's Meter Seal Policy to determine the appropriate type of seal to utilize for each location. Meter seals will be provided by Purchaser.		X		
69	**ERT Meters without Readable Displays**: A small percentage of existing ERT meters don't have a readable display to capture the read of the legacy meter before changing out the meter. For any of these meters, the installer should use the Itron hand-hold device to capture the meter read. Supplier to provide Itron FC300 hand-held device and attach picture of handheld display for meter read.		X		Please see addition pricing to capture read in pricing table.
	Data Elements for Water Meter Change-Outs. The Supplier should capture and transfer the data elements listed below:				
70 71	ID of the installer Date/time the order is completed		X X		
72	Read from the removed water meter ERT.		X		
73	Read from the new water meter. The reading from the water meter being installed is expected to be ten.		X		
74	Serial number of the water meter being removed		X		
75	Serial number of the water meter ERT being removed		X		
76	Serial number of the water meter being installed		X		
77	Sensus FlexNet ID Number.		X		
78	Installed Meter Brand, Type and Model.		X		
79	Installed Meter Size		X		
80	Is the current meter installed Vertically or horizontally: state direction. All joints should be leak tight.		X		
81	Does the meter have a pressure reducing valve? Yes or No		X		
82	Is there an electrical jumper? Yes or No		X		
83	Is there a valve before and after the meter? Yes or No. Define the type of valve in place.		X		
84	State the service line pipe material identification by defining the lead/copper/galvanized/pex or other identifies for MDH requirements.		X		
85	Describe location of the meter in the building.		X		
86	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as incorrect data, safety issues, potential tamper, premise repairs required, date/time found, Purchaser's party reported to, and other situations found in the field by the Supplier		X		
87	Comments section is to include the correct versus incorrect data found and note follow-up flag details.		X		
88	Premise as-found condition (based on list to be provided by Purchaser).		X		
89	Premise as-left condition (based on list to be provided by Purchaser).		X		
90	Certification that locks and seals are in place - Y/N.		X		
91	Digital photograph of the as-found meter/meter read.		X		
92	Digital photograph of the handheld ERT read for the meter to be removed.		X		
93	Digital photograph of the "as-left meter/meter read".		X		
94	If repair is required, a digital photograph of the water meter with the meter removed revealing appearance (blocked, buried, other).		X		
95	**Defective Plumbing:** The Supplier shall promptly notify the Purchase if defective plumbing is found that could prevent a safe meter change. If the Purchaser concurs, the installation will be deferred until repairs are made and the installer informed of the repair.		X		
96	**Effective Shut-Off:** The first valve is defined as the upstream shutoff valve or the valve on the street side of the meter. The second valve is on the downstream side of the meter. The curb stop valve is located in the street right-of-way and shall be operated by Purchaser. The installer shall operate the first valve to obtain the shut-off necessary for meter installation: however, should the first valve be defective, the installer shall freeze the service connection upstream of the first valve to obtain the shut-off. Freezing shall be accomplished with the use of CO2 freeze packs, electrical freeze units, or dry ice. The installer shall freeze the service connection to accomplish shut-offs for accounts with inoperative first valves, at the customer's first scheduled appointment without having to reschedule. In cases where freezing cannot be employed to obtain the shut-off the meter installer shall inform the Purchaser that meter could not be replaced. The installer shall note any plumbing problems on the installation record form.	Yes	X		Freeze shut of services will be conducted at an additional charge as outlined in our pricing table.

97	**Supplier Leak Testing:** After the installation of the metering system is complete, the installer shall open all valves and check for leaks. The installer shall verify that the meter register is functioning properly and that the meter and plumbing connections in the vicinity of the meter do not leak. All leaks or defects between and including connection points shall be repaired.	Yes	X		
98	**Approach:** Please describe your proposed approach, at the minimum the installer should turn on the water at the customers hose bib to ensure water is flowing, the installer should flush out any sediment in the line. Then the installer should check for any leaks on the inlet and outlet side of the meter.	Yes	X		
99	Warranty: Any leaks found within 90 days of the installation date must be covered by the Supplier's warranty. Any leaks between and including the connection points for a normal installation, or for installations that were necessary to freeze from the point frozen to the outlet side of the meter are the responsibility of the Supplier. The Contractor shall repair such leaks and correct all damages which occur during the 90 day period, at the Contractor's expense.	Yes	X		
	Data Elements for Water Modules Retrofits. The Supplier should capture and transfer the data elements listed below: The Supplier should capture and transfer the data elements listed below:				
100	ID of the installer.		X		
101	Date/time the order is completed.		X		
102	Read from the removed water ERT.		X		
103	Read from the water meter register.		X		
104	Read from the new water meter register. Installer should verify the installed read from the radio matches the display on the water meter register		X		
105	Confirm serial number of existing water meter.		X		
106	Sensus FlexNet ID Number for the installed radio.		X		
107	Verify installed Meter Brand, Type and Model.		X		
108	Installed Meter Size		X		
109	Is the current meter installed Vertically or horizontally: state direction.		X		
110	Does the meter have a pressure reducing valve? Yes or No		X		
111	Is there an electrical jumper? Yes or No		X		
112	Is there a valve before and after the meter? Yes or No. Define the type of valve in place.		X		
113	State the service line pipe material identification by defining the lead/copper/galvanized/pex or other identifies for MDH requirements.		X		
114	Describe location of the meter in the building.		X		
115	Confirm/document manufacturer of the existing meter body.		X		
116	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as incorrect data, safety issues, potential tamper, premise repairs required, date/time found, Purchaser's party reported to, and other situations found in the field by the Supplier.		X		
117	Comments section is to include the correct versus incorrect data found and note follow-up flag details.		X		
118	Premise as-found condition (based on list to be provided by Purchaser).		X		
119	Premise as-left condition (based on list to be provided by Purchaser).		X		
120	Certification that locks and seals are in place - Installer indicate Y/N.		X		
121	Digital photograph of the as-found existing meter/meter read.		X		
122	Digital photograph of the handheld ERT read for the removed ERT.		X		
123	Digital photograph of the as-left installed meter/meter read.		X		
124	If repair required, a digital photograph to document the repair needed		X		
	Data and Information Technology Security				
125	**Data Privacy:** The Supplier should ensure that customer data remains private and upon request shall describe what controls and processes may be utilized to achieve this requirement.		x		
126	**Data Encryption:** Purchaser's data and authentication content (passwords) should be secured in transit from end to end, and at rest. The Supplier should identify what encryption standards they use or support such as but not limited to AES-256, PKI, FTPS (SSL/TLS), SFTP (SSH) to secure Purchaser's data in transit (between Purchaser's systems and Supplier's systems, and between Supplier's systems) and at rest in their field tools, laptops, servers, as applicable. Supplier should describe the implementation of their data encryption solution(s).		x		
127	**Secure Transfer Server.** The Supplier should provide Purchaser with a secure FTP server for transfer of	Yes	x		Please see detail response in RFP Bid
128	**Unique User Identification and Authorization (Non-Utility Users) (IA):** The Supplier should attest to enforce that their personnel use unique identity user accounts and authentication content for Purchaser's System accesses via local interfaces or network connections (ref. NIST SP 800-53 IA-8).		x		
129	**Process Approval:** Upon award, Supplier should provide its processes, and Purchaser may approve Supplier's processes, for incorporating appropriate security measures including but not limited to data encryption and key management for Supplier's Work Order Management System (WOMs), Inventory Management System (IMS), etc. Supplier should indicate its compliance with this requirement.		x		

130	**Authorized Users.** The Supplier should ensure that only authorized and authenticated users have access to the customer data and should describe what controls and processes will be utilized to achieve this requirement.	Yes	x		Please see detail response in RFP Bid
131	**Auditability.** All record of access and change of customer data should be auditable.	Yes	x		Please see detail response in RFP Bid
132	**Log Unauthorized Use:** All unauthorized use and change of customer data should be detected and logged.		x		
133	**Data Ownership:** The Purchaser will retain ownership of all customer information. The customer information is only provided to the Supplier for specific use in support of this Endpoint Deployment Services project. No other use is authorized.		x		
134	**End-of Contract Data Purge:** The Purchaser requires all customer information to be purged from the Supplier's systems (including handhelds) in accordance with NIST SP 800-88 media sanitization guidelines for 'purging' of data when this information becomes no longer required by the Purchaser. This will be targeted 12 months after the last meter is exchanged and must be requested in writing from the Purchaser's project manager.		x		
	Handheld Security Requirements				
135	**Handheld Mobile Device Data Security:** The Supplier should have handheld security features that aid in preventing the data from being extracted if device is lost in the field (i.e. authentication, screen locks, time outs, encryption, poison pill, remote data wipe, etc.).		X		
136	**Loss of Handheld:** The Supplier should have procedures to inform the Purchaser in the event of a lost or stolen handheld. Describe the process for identification of the data lost in the handheld device and the process for re-acquiring the lost completion data. Provide metrics on frequency of lost handheld devices during a deployment project.		X		
	Contact Center Security				
137	**Core Security Requirements:** The data and Information Technology Security requirements should be applicable to the Supplier's Call Center environment(s). The Supplier is required to acknowledge its compliance with these requirements.		X		
138	**Customer Identification:** Customer identification procedures should be used in Supplier's Call Center to validate that the customer is who they say they are (Authentication) in order to prevent social engineering attacks.		X		
	Scrapping Meters				
139	**Electric ERT Resale Value:** For the Purchaser's Itron ERT meters, please quote a proposed market value that the Supplier could coordinate for the selling of the electric ERT meters. Approximately 25 percent of the ERT meters are seven years or less in age.		X		
140	**Scrapping Process:** The Supplier should develop and obtain approval from Purchaser for the process used following meter/module removal including shipping, storing, processing, and scrapping.		X		
141	**Electric Meter Waste Sorting:** The Supplier may be required to separate both electric and water meter waste by glass vs. plastic covers, and/or non-electronic vs. electronic waste.		X		
142	**Supplier Accountable to Scrapping**: Supplier is accountable for all meter scrapping. The Supplier is fully accountable to follow all State and Federal environmental laws relating to materials scrapping and disposal.		X		
	Scheduling of Water Meter and Module Appointments and Unreachable Electric Meter Locations				
143	**Supplier Best Practice:** This bid is asking the Suppliers to propose what they have found to be the most effective approach for scheduling and customer's availability for appointments primarily for the water meter and module replacements. This recommendation should be defined within the Proposal as **Addendum # 1: Appointment Scheduling.** The objective is to obtain the highest percent of met appointments and meter exchanges on the initial appointment and the fewest remaining appointments to re-schedule with the on the second attempt and the lowest remaining accounts that require a third attempt. The Purchaser is asking the Supplier to propose their entire awareness and marketing programs with the use of press releases, bill inserts, web site updates, email use, text messages, and other media and means for the most optimal appointment obtainment and cost effectiveness for the Purchaser.		X		
144	**Electric Appointments:** For locations behind gates without gate keys available from the utility, obstructed electric meter locations and other "access " issues that an appointment ~~is~~ may be necessary to exchange the electric meter, Supplier shall notify the Utility for mutual resolution. All electric meters are located on the outside of the premise.		X		
145	**Maximum of 3 Attempts:** For those locations where the Supplier may be required to make contact with the customer prior to performing the work, the Supplier should make a minimum of three (3) attempts to contact the customer. If after three (3) attempts the Supplier is unable to contact the customer for electric or for water the customer failed to keep a committed appointment, the Supplier should then provide records showing the attempted contacts and proceed to change the meter. Please state otherwise if (3) attempts are not standard practice in your preferred model and/or if it is not included in the base bid.		X		
146	**Documentation of Customer Communications**: Any communication with the customer or any attempt to communicate with the customer should be documented by the Supplier.		X		
147	**Electric Life Support Accounts**: Purchaser may provide a list showing those customers who are registered as having Life Support Equipment or "Life Support Status" - this is estimated to be approximately 21 premises. The Supplier may be required to provide all call center services needed to make verbal contact with these customers prior to disconnecting power and ensuring that these customers are aware that the power will be interrupted when the work is performed.		X		
148	**Scheduling of Water Meter Appointment**: Supplier should provide a toll-free number for customer questions regarding installation scheduling. Purchaser may use its toll-free number for general AMI questions. Numbers to be listed on all customer communications. Supplier to recommend best practices if different.		X		
149	**Web Based Water Meter/Module Appointment Scheduling:** Proposals must include a means for customers to schedule installation appointments via web site.	Yes	X		
150	**Web Based Water Meter/Module Appointment Scheduling Changes:** Proposals must include a means for customers to change their appointment installation appointments via web site.		X		
151	**Voice Mail Support.** The Supplier should indicate availability of voice message retrieval and, if applicable, describe latency of message retrieval and response.		X		
152	Supplier should create a FAQ document for communications with customers. FAQ document may be approved by Purchaser.		X		
153	**Adult 18 Years or Older Must be Present at Customers Home**: No installer shall enter a residence without the permission of an adult member of the household at least 18 years of age		X		
154	**Police Entry Assistance:** A limited number of installations may require police assistance for access. The Supplier should coordinate with Purchaser for any Police entry customer sites.		X		

155	**Post Cards for Electric Meter Exchanges**: About two weeks prior to the scheduled electric meter exchange, Supplier shall send post cards the planned change-outs. This means nearly every day a different batch of post cards would be sent (vendors can batch the post cards and send once per week versus daily if that is desired by Supplier.	Yes	X		Please see detail response in RFP Bid
	Call Center Process				
156	**Records Availability.** The Supplier should make available to Purchaser a record of all communications between the Supplier and purchaser's customers upon request. A copy of all remarks, calls, or logs of communications from the Supplier customer management system is sufficient.		X		
157	**Purchaser Monitoring of Customer Calls:** Upon request, Supplier should provide the capability for Purchaser to monitor the Supplier's phone conversations with conversations with Purchaser's customers.		X		
	Call Center Quality Assurance				
158	**Call Recording and Retention.** There may be situations where a customer will call Purchaser regarding an exchange between the customer and the Supplier's representative. These situations may require the ability for Purchaser to review the actual conversation between the customer and the Supplier's representative. The Supplier may be required to provide the following system requirements. All calls to the Call Center should: - Be recorded - Be catalogued by date, time, complaint or phone number - Be maintained a minimum of one hundred eighty (180) days with the option to hold specific calls for a longer period as necessary - Have the ability to be queried by date, time, phone number and agent - Made available in Wave file format Purchaser should retain right to audit call recordings.		X		
159	**Average Hold Time Maximum:** Supplier should answer 90% of the calls within 60 seconds and 100% within 5 minutes.		X		
159	**Call Wait Time Statistics:** Purchaser upon request should be provided call center statistics including the following: - Total calls - Average Speed of Answer (ASA) - Wait time - Total and average hold time - Abandoned/lost calls		X		
160	**Escalation to Purchaser Percentage.** Based on the Supplier's experience, indicate how many of these calls are expected to be escalated to Purchaser for resolution.		X		
160	**Supervision.** Upon request, the Supplier shall describe how the Supplier will ensure that appropriate supervision is on-site at all times during hours of operation.	Yes	X		Please see detail response in RFP Bid
161	Languages Supported. The predominant language in Purchaser's service territory is English. The Supplier is requested to communicate with customers that speak languages other than English, but it is not required to have multiple US languages but please list how you address conversations with non-English customers?	Yes	X		Please see detail response in RFP Bid
	Customer Satisfaction & Call Center				
162	**Hours of Operations.** The Supplier should provide their Customer Call Center hours of operation from a minimum of 7:00 AM to 7:00 PM CST on all installation days. If availability exists less or more than the		X		
	Appointment Scheduling				
163	For business customers, the Supplier should notify the business of their purpose. If an outage is required, the Supplier may inquire if it is possible for the outage to occur at that time. If not, the Supplier may be required to return to the premise at a scheduled time with the business.	Yes	X		Please see detail response in RFP Bid
164	**Electric Meter Installation Times:** Normal hours for the Supplier to work in the field doing meter installations at customer premises should never be before or after daylight hours typically before 8 AM or after 5 PM Monday to Friday for most instances, unless requested by the customer. The hours can be extended past 5 PM in the summer months when the day light is longer but not before 8 AM, unless requested by the customer. The specific installation time to be coordinated monthly between Supplier and Purchaser.		X		
165	**Water Meter Working Hours for Customer Appointments**: 7:00 am until 7:00 PM Monday-Friday and 8:00 to 5 PM on Saturdays. Special circumstances outside of these hours must have prior authorization from Purchaser.		X		
	Worker Requirements. Purchaser reserves the right to request and review any of the items specified in the following section:				
166	**Human Resources Plan.** The Supplier should ensure that their Human Resource plan that addresses the recruiting, staffing and management of internal or contractor personnel to be used to deal with the requirements of this RFP. This plan should include hiring policies, security screening procedures, testing and performance review procedures and other pertinent procedures.		X		
167	**Employee vs Contractor**: Supplier must indicate whether each employee involved are direct employees of the prime contractor or subcontractors.		X		
168	**Onsite Project Manager**: Must be an employee of the prime contractor.	Yes	X		Please see detail response in RFP Bid
169	**Qualified Workers.** Supplier should employ and assign work only to qualified workers. Qualified workers shall be trained by the Supplier in accordance with an established set of specific qualifications inclusive of experience, training, audit, and related items that are relevant to the nature and type work activities to be performed.		X		
170	**Licensed.** Purchaser expects that the Supplier and their subcontractors and agents are properly licensed and qualified (including having all necessary authorizations) to perform the class and type of the services as specified, in addition to being properly insured, equipped, organized, staffed, and financed to handle such services.		X		
171	**Professionalism.** The Supplier should perform the services in an orderly and professional manner. Including but not limited to customer experience expectations such as hygiene, respect for property, clean-up workspace, no cussing, no smoking, etc.	Yes	X		Please see detail response in RFP Bid
172	**Skilled and Physicality**: Workers. The Supplier should not employ for the services any personnel or subcontractor unskilled in the work assigned. Also, ability to lift 50 pounds, stoop for long periods of time each day, enter small areas and unique compartmented areas in utility locations, extend extremities to reach meter areas, use of stairs. Also, okay with working in areas with insects and wildlife.		X		

173	**Minimum Qualifications and Licensing.** All workers employed or contracted by the Supplier may be required to have the minimum competencies necessary to accomplish the specific task or work requirement presented in this document. The Supplier and their subcontractors, suppliers and agents are to be properly licensed and qualified to perform the class and type of the services as specified in this RFP, in addition to being properly insured, equipped, organized, staffed and financed to handle such services. The Supplier is to outline how it will meet these minimum competencies and indicate any requested exceptions. Supplier should provide Self-Contained Metering class for EPI Installation Personnel.		X		We typically bring in seasoned qualified resource for both Electric and Water installations.
174	**Local Hires.** The Supplier should use local qualified personnel whenever possible. However, this is not a requirement, especially if highly trained crews from outside of the region are available.	Yes	X		We typically don't hire locally, and we prefer to bring in seasoned technicians.
175	**Substance Abuse.** In order to maintain a safe, healthy and efficient work environment, and to minimize absenteeism and tardiness, Purchaser requires that the Work Site be a Drug and Alcohol-Free Environment. Prior to commencement of work, Supplier should have a Substance Abuse Program in place. Supplier should provide a copy of their substance abuse program with its submittal to this RFP. Purchaser should review the program and if acceptable, approve the program prior to commencement of end point installation.		X		
176	**Pre-employment and Random Drug Testing.** The Supplier and their agents, employees and Subcontractors should adhere to DOT drug and alcohol testing policies in place during the term of the Project. All testing should be paid for in full by the Supplier. Supplier should indicate compliance with this requirement. The Purchaser reserves the right to review how the Supplier is in compliance with this requirement.		X		
177	**Training Program Overview.** The Supplier should provide an overview of their employee training programs (technical, safety and customer contact / communications) for the specific work functions listed in this RFP.	Yes	X		Please see detail response in RFP Bid
178	**Supervision.** Supplier should ensure appropriate supervision is provided for all field-related work for its employees. Supplier should provide its expected ratio of 'Field Installation Personnel' to Field Supervisors. Purchaser expects that Supplier will provide more management oversight, e.g. the ratio of field technicians to field supervisors, when the workforce is less experienced such as in the beginning of the project or at the start of implementation of a new type of technology or end point. Supplier should indicate compliance with this requirement and the proposed ratio of installers to supervisor?	Yes	X		Please see detail response in RFP Bid
	Special Meter Installation Requirements & Project Management				
179	**Proposed Process:** Please create a process map or a set of steps used from meters entering the CIS database to post installation such as: a) from the Purchaser's warehouse and into your Work Management Software, b) meters moved from warehouse to the installer's vehicles, c) from doing the meter exchange, d) to uploading the meter exchanged data to reporting the work completed and planned into the dashboard tools.		**X**		
180	**Integration Method: Batch Creation of AMI Meter Exchange Installation Service Orders - "From Purchaser".** Upfront and then daily during the meter installation period, Purchaser should create bulk AMI meter exchange service orders and send these to the Supplier's work management system via an automated integration or data transfer. Please indicate your preferred integration method between the Supplier's Work management System, and the Purchasers' NISC CIS.	Yes	**X**		Please see detail response in RFP Bid
181	installation results into the Supplier's NISC CIS system, please describe your proposed approach for completing this task?	Yes	**X**		Please see detail response in RFP Bid
182	**Data Exchange**: Data files to be exchanged with Purchaser should be provided in a format suitable for uploading to NISC CIS.	Yes	**X**		Please see detail response in RFP Bid
183	**Secure FTP Exchange**: The software upload of the progress should occur at least daily.		**X**		
184	**Dashboard**: Software should provide web access to Purchaser personnel to monitor the progress of the installation and run reports.		**X**		
185	**Reporting of Installation Plan and Progress**: Supplier should attach sample reports as used to track meter installation progress.		**X**		
186	Project Schedule: The Supplier may work with the Utility Staff to develop a detailed project schedule for cycle completion and scheduling.	Yes	**X**		
187	**Project Plan for this Proposal**: The Supplier should include a sample Project Plan showing estimated timelines to complete the various phases of this project.		**X**		
188	**Deployment Project Plan:** Provide updates as needed to the project plan during the deployment articulating all Supplier and Purchaser's key tasks and specific time durations from contract execution through the first electric and water meter replacement, ramp-up, mass deployment, and ramp-down/clean-up. Provide sample documents with response.	Yes	**X**		Please see detail response in RFP Bid
189	**Project Manager**: Supplier should provide complete project management services with at least one project manager located onsite during the entire installation period.		**X**		
190	**Daily Dashboard Update**: Supplier should provide reports no less than daily frequency on the status of the installation. These reports may be in the form of outputs from the Supplier's installation management software.	Yes	**X**		Please see detail response in RFP Bid
191	**Weekly Status**: The Supplier should provide a status work of meters installed, any identified problems, inventory levels projected, and other defined Project Management items for the Purchaser's PM.		**X**		
192	**Daily Upload of Meters/Modules Exchanged:** The Supplier should submit no less than a nightly database feed of all meters installed from the prior day to Purchaser. This information will provide Purchaser with the reporting capability to check and verify each customer account is an active account. Please explain how you plan to meet this requirement.		**X**		
193	**Seasonal Cost Differences**: If the schedules would allow for the bulk of the meter installations to be conducted April to October, is there a potential for a lower cost per meter to be quoted or are seasonal differences built into your pricing? Note, we are expecting about 75% of the meters to be installed over a nine-month March -November period.		**X**		
	Deploying Sequence and Timing				
194	**Initial Deployment Area (IDA)** To gather a good understanding of the system integrations and business process flows, Supplier must propose a replacement of 125 electric meters and 25 water meters.		X		
195	**Ramp-up Productivity Rates:** Describe the Supplier's expected Productivity Per Day meter installations for a typical 8 hour and 10-hour day during production ramp up. Please describe your proposed ramp-up duration for the Phase 2 Full Deployment.	Yes	X		Please see detail response in RFP Bid
196	**Steady State Productivity Rates:** Describe the Supplier's expected Productivity Per Day for meter installations for a typical 8 hour and 10-hour day during normal production (after ramp-up).	Yes	X		Please see detail response in RFP Bid
197	**Ramp-down Process:** Describe the Supplier's production ramp down process for delivery of the Endpoint Deployment Services and discuss any issues that could negatively or positively impact the installation schedule for the proposed full-service territory implementation with a focus on completing typical hard-to-access and clean-up work associated with project closeout.	Yes	X		Please see detail response in RFP Bid
	Evidence of Meter Tampering				

198	In the event meter tampering is evident, the Supplier may contact Purchaser's Operations or designated Purchaser contact and report the violation immediately. The Supplier should also photograph the meter tampering or bypass situation.		X		
199	In the event meter bypass (diversion) is evident, the Supplier should photograph the issue and contact Purchaser immediately.		X		
	Meter/Meter Base/Meter Enclosure Damage				
200	In the event the Supplier uncovers existing damage to the meter, meter base, meter enclosure, Supplier should report the type of problem to Purchaser, re-install the old meter if safe to re-install.		X		
201	In the event the Supplier damages the meter base due to improper insertion of the meter, the Supplier may be responsible for 100% of the cost of repairs.		X		
	Bulk Meter Installation Experience				
202	**Supplier Experience with Similar Sized Utilities as ERMU:** Supplier list the deployments of at least four 10,000 to 20,000 electric AMI meter exchange contracts and four water meter exchange contracts with utilities from 3,000 to 10,000 water meter exchange engagements that have taken place after January 1, 2020?	Yes	X		
203	**References:** Please list **all contracts** for meter installation deployments completed from 2020 to present. From the list of all deployments, please provide at least three (4) verifiable references (contact names, phone number and emails). Purchaser intends to contact these references. Purchaser reserves the right to request additional references.	Yes	X		
	Resources and Staffing Levels				
204	**Supplier Staffing Plan.** Indicate by month the forecasted number of installers and supervisors needed during the deployment for the water and electric endpoints.		X		
205	**Resume:** Provide the resume for the proposed onsite Supervisor and or Foreman	Yes	X		
206	**Project Manager Change Out Request:** Purchaser has the right to request a new project manager at the discretion of the Purchaser.	Yes	X		
207	**Installer Bio's:** Please provide resume or bio of the contractors or employees assigned to the purchaser. In the event some of the staff have not been selected at this time pleases the minimum level of experience that you will commit to hiring/assigning for this contract.	Yes	X		
	Safety & Environment				
208	Please describe Suppliers Safety Assurance program, including all safety training, reporting, auditing, and corrective actions employed.	Yes	X		
209	**Environmental Compliance:** The Purchaser provides products and services to their customers with consideration to the impact on the environment. Protecting the environment is one of the Purchaser's core values and Purchaser is committed to delivering products and services in an environmentally sensitive manner. The Purchaser is committed to complying with all applicable international, federal, state, and local environmental laws and requirements. Please explain your approach for complying with this specification?	Yes	X		
210	**Environmental Audits.** The Purchaser reserves the right to have an environmental audit performed by the Supplier or an independent third party at any time during the course of the project with respect to any work performed during this project.	Yes	X		
	Inventory Management				
211	**Meter Inventory Level.** Describe the Supplier's process for determining the required inventory level to be retained in warehouse.		X		
212	**Inventory Control.** Describe the Supplier's experience and proposed inventory control procedures and work flows with regards to receipt, storage, transfer and installation of the Purchaser's' metering assets.	Yes	X		
	Physical Security				
213	**Supplier Facilities Security.** The Supplier shall properly lock and secure and operate warehousing and/or cross-dock facilities.		X		
214	**Supplier's Physical Security in Warehouse:** The Supplier shall secure any use of PC's at the warehouse by locking the PC on a nightly basis.		X		
215	**Warehouse Workspace**: Purchaser will supply internet access from our warehouse		X		
	Miscellaneous				
216	**Active Accounts Daily FTP Feed from Purchaser:** At the start of the engagement, Purchaser will provide a list of account information for active customer accounts. This data will be updated each day or weekly if that is preferred.	Yes	X		
217	**Electric Accounts in Disconnect Status**: Supplier to describe the process for installing AMI electric meters where the meter is in disconnected status.	Yes	X		
218	**Inspections First 100:** Purchaser will provide an inspection of all meters installed for the first 100 electric and water meters and approve the workmanship before additional meters are installed. Purchaser will complete this task within no more than two business days, and the inspections may also randomly occur during the time of installation.	Yes	X		
219	**Inspections for New Installers:** Purchaser will provide an inspection of all meters installed for the first 50 meters for either Phase 1 or Phase 2 when the Supplier adds a new installer to their crew.	Yes	X		
220	**New Installers Added**: The Supplier must notify Purchaser when the Supplier adds new installation staff at any point of time within this contract. When notifying Purchase of new staff, then the Supplier must also provide evidence that all required background and training approvals have been completed.		X		
221	**Inspections After First 500 Meters:** A second phase of inspections will be completed by Purchaser after the first 500 meters and modules are installed. After the inspection, Purchaser will send a written correspondence to the Supplier's Project Manager confirming conformance to the specifications of this RFP or request corrective measures. During this second phase of inspections, the Supplier is welcome to co-visit the inspected meters with a Purchaser representative.		X		
222	Any work on electric meters other than single-phase, 120/240 volt, 320 amps or less should not be performed by Supplier.		X		
223	**Revisit Trips: Customer Premise Field Investigations – Post Installation.** After installation, some small percentage of the installed AMI meters may require an investigation and resolution for multiple reasons including incorrect installation, failed hardware, software mismatches on the systems, poor communications, etc. For these visits, the vendor to quote a per visit cost. The visit should occur within 14 working days from the request by the Purchaser. Supplier may be required to revisit non-performing meters in the deployment area, identify the cause of the problem and when applicable resolve the issue. For budgetary purposes, assume 200 re-visits will be requested. The Supplier may only charge Purchaser for the number of visits completed and should be broken out separately on the monthly invoice.		X		

224	**Inoperable AMI Meters.** The Supplier should return any inoperable smart meters to Purchaser on a periodic basis, not to exceed monthly.		X		
225	**Acceptance of Work**. Acceptance of work by Purchaser will be completed on a cycle-by-cycle basis. cycle completion should be based on the measure of those meters on the cycle that have been assigned by Purchaser to Supplier for meter installation. Upon completion of a cycle, the Supplier will request acceptance of the cycle by Purchaser. Then Purchaser should then provide approval or rejection of the request based upon predetermined cycle acceptance guidelines. **End**		X		

Assumptions & Exceptions

Supplier:	
Date	
File Name	

See Pricing Instructions document.

Requirement Number	Assumption/Exception

1.24b Attachment II Pricing Response

Attachment II: Pricing (Common Costs)

ERMU: End Point Installer Pricing Common Costs
Supplier Response Instructions: Please respond in shaded yellow cells to the following questions.
AMI Response - Meter Installation Pricing

Instructions:

1	Please do not change the format of this form or insert any new rows and/or columns.
2	Please return the completed pricing schedule in native Excel. Only fill out the areas shaded yellow.
3	For some of the optional services as listed below, please insert the incremental cost.
4	While we ask for pricing for the entire account population of approximately 19,000 of endpoints to be installed, it is a requirement for the Supplier to only invoice the cost of the installation after the actual installation has occurred.

Key Assumptions:

1	The deployment will consist of two phases. Phase 1 shall consist of installing roughly 150 new electric meters/modules, 20 water meter/modules and 10 water retrofit modules with the existing water meters.

DO NOT EDIT THESE COLUMNS OR ROWS BY INSERTING NEW COLUMNS OR ROWS

Fixed Project Charges

1	Fixed: Set Up Fees for Electric and Water EndPoint Installation Services	Quantity	Unit Cost for Each	Extended Cost	Optional Clarification	Vendor
1.1	Initiation Fee	1	$ -	$ -		
1.2	Project Management Fee	1	$ 6,800.00	$ 6,800.00		
1.3	Meter Installation Software Integration Fee with CIS and GIS	1	$ 8,200.00	$ 8,200.00		
1.4	System Integration Fee	1	$ -	$ -		
1.4	Phase 1 Mobilization Charge	1	$ 2,500.00	$ 2,500.00		
1.5	Phase II Mobilization Fee	1	$ 5,000.00	$ 5,000.00		
1.6	Other Start-Up Costs (Vendor to describe)	1	$ -	$ -		
1.7	Other Start-Up Costs (Vendor to describe)	1	$ -	$ -		
1.8	Other Start-Up Costs (Vendor to describe)	1	$ -	$ -		
1.9	Performance Bond (final pricing determined at contracting)	1	$ 1 8,539.11	$ 18,539.11		
	Total Fixed Set-Up Fee			**$ 41,039.11**		

2	Incremental Fixed Fees	Quantity	Unit Cost for Each	Extended Cost
2.1	Water and Electric Meter Disposal (excluding electric meters of value)		$ 0.85	$ -
2.2	Revisit Electric	100	$ 38.1	$ 3,812.00
2.3	Revisit Water	100	$ 73.5	$ 7,345.00
	Total Incremental Fixed Fee			**$ 11,157.00**

Total One-Time Set-Up Fees	$ 52,196.11

Vendor Assumptions

1	We will waive the electric meter portion of the handling fee if EMRU choose the reclamation program. Estimated savings $10400

Attachment II: Pricing (Electric)

ERMU: End Point Installer Pricing Incremental Electric Meter Installation Costs. Supplier Response Instructions: Please respond in shaded yellow cells to the following questions.

DO NOT EDIT THESE COLUMNS OR ROWS BY INSERTING NEW COLUMNS OR ROWS

Premises Requiring Electric Meter/Module Installation					
3	**Meter Type**	**Quantity**	**Base Unit/meter Install Cost**	**Extended Cost**	**Optional Vendor Clarification Comments**
3.1	Form 2S	11,989	$ 17.34	$ 207,889.26	
3.2	Form 2SE	46	$ 17.34	$ 797.64	
3.3	Form 3S	235	$ 17.34	$ 4,074.90	
3.4	Form 4S -16S Installed by ERMU	-	$ -	$ -	
Install for New Electric Meters/Modules for Installation Supplier to Install		**12,270**		**$ 212,761.80**	

Installation Services Priced Incrementally					
4	**Add-On Services (if any of these are included in your base quote, then insert $0 in the cost cell)**	**Premise Quantity**	**Incremental Add-on Service**	**Extended Cost**	
4.1	ID of the installer.	12,270	No Charge	$ -	
4.2	Digital Photo of Post-Site Conditions	12,270	No Charge	$ -	
4.3	Global Positioning System (GPS) coordinates. (Our Standard GPS offering of 3-meter accuracy (min. 6 decimal places).)	12,270	No Charge	$ -	
4.4	Prior to meter installation, Supplier may be asked to issue an informative postcard with the postcard provided and pre-approved by Purchaser.	12,270	$ 0.88	$ 10,797.60	
4.5	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as incorrect data, safety issues, potential tamper, premise repairs required, date/time found, Purchaser's party reported to, and other situations found in the field by the Supplier.	12,270	No Charge	$ -	
4.6	Comments section is to include the correct versus incorrect data found and note follow-up flag details.	12,270	No Charge	$ -	
4.70	Select from a Drop-down List: Premise as-found condition (based on list to be provided by Purchaser).	12,270	No Charge	$ -	
4.80	Select from a Drop-down List: Premise as-left condition (based on list to be provided by Purchaser).	12,270	No Charge	$ -	
4.90	Certification that locks and seals are in place - Y/N.	12,270	No Charge	$ -	
4.10	Global Positioning System (GPS). The Supplier should capture GPS spherical (latitude, longitude, and altitude) coordinates for each electric meter with an accuracy no worse than plus or minus three (+/- 3)	12,270	No Charge	$ -	
4.11	Digital photograph of the as-found meter/meter read.	12,270	No Charge	$ -	
4.12	Digital photograph of the empty electric meter can with mete removed.	12,270	No Charge	$ -	
4.13	Digital photograph of the as-left meter/meter read (Meter Socket).	12,270	No Charge	$ -	
4.14	- If repair required, a digital photograph of the water meter with the meter removed revealing appearance (blocked, buried, other).	600	No Charge	$ -	
4.15	Meter Attachment Type: Home, pole or meter ped.	12,270	No Charge	$ -	
4.16	Secondary wire size: #6, #4, 1/0, 2/0,or 250 AL or CU. 4/0	12,270	No Charge	$ -	
4.17	Meter Clearance: 3 feet in front and 3t on the sides. Yes or No. fee	12,270	No Charge	$ -	
4.18	Immediately contact Utility with Bypass Meter Socket.	NA	No Charge	$ -	
4.19	100 Amp or 200 Amp Meter Socket: Should be a sticker inside that indicates the amps.	12,270	No Charge	$ -	
4.20	Does meter/standpipe need attention: Yes or No…. Provide Comments	12,270	No Charge	$ -	
4.21	Identify any damaged meter sockets that require repair or replacement.	12,270	No Charge	$ -	

4.22	**Meter Seal Lid/Ring**: Once a meter is replaced, the lid and/or ring will be placed back on the meter base and the appropriate meter seal will be used to seal the meter. Supplier will follow Purchaser's Meter Seal Policy to determine the appropriate type of seal to utilize for each location. Meter seals will be provided by Purchaser.	12,270	No Charge	$ -	
4.23	**ERT Meters without Readable Displays**: A small percentage of existing ERT meters don't have a readable display to capture the read of the legacy meter before changing out the meter. For any of these meters, the installer should use the Itron hand-hold device to capture the meter read.	600	$ 6.89	$ 4,134.00	
	Total Services Priced Incrementally			**$ 14,931.60**	
	Grand Total Electric Installation			**$ 227,693.40**	

	Vendor Assumptions
1	Sub 3 meter GPS is included in the bid package. Sub meter GPS is availabe on 95% of the meters for $2.85 per
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	

Attachment II: Pricing (Water)

Instructions:

1	Purchaser has organized water installation pricing with the following: Section 5 = Water Meter/Modules Installation, Section 6: = incremental services that can be priced separately. It is acceptable to bundle all installation costing into Section 5 for the meter/module installation. Section 7 is the installation costs for Retrofit AMI modules with existing meters and Section 8 is a breakdown to incremental price the retrofit services. Again, it is acceptable to bundle all retrofit installation costs in Section 7 for the module retrofits.
2	Please return the completed pricing schedule in native Excel. Only fill out the areas shaded yellow.
3	Please don't add rows or new columns to the Excel spreadsheet.
4	While we ask for pricing for the entire account population of approximately 19,000 of endpoints to be installed, it is a requirement for the Supplier to only invoice the cost of the installation after the actual installation has occurred.

ERMU: End Point Installer Pricing Incremental Water Meter/Module and AMI Module Installation Costs.

Supplier Response Instructions: Please respond in shaded yellow cells to the following questions.

DO NOT EDIT THESE COLUMNS OR ROWS BY INSERTING NEW COLUMNS OR ROWS.

Premises Requiring New Water Meter/Modules						
5	**NEW Water Meters, Encoders & Registers and AMI MIUs**		**Quantity**	**Base Unit Meter Install Cost for Each Premise**	**Extended Cost**	**Optional Vendor Clarification Comments**
5.1	Short iPerl	3/4"	4,546	83.12	$ 377,863.52	

5.2	iPerl	1"	338	83.12	$ 28,094.56	
5.3	Cordonel	1 1/2"	93	260.12	$ 24,191.16	
5.4	Cordonel	2"	-		$ -	
5.5	Cordonel	3"	23	580.12	$ 13,342.76	
5.6	Cordonel	4"	9	580.12	$ 5,221.08	
5.7	Cordonel	6"	1	1340.00	$ 1,340.00	
5.8	Cordonel	8"	-		$ -	
Install for New Meters, Encoders, Registers and MIUs and Install			**5,010**		**$ 450,053.08**	

Premises Requiring Retrofits with Adding AMI to an Existing Meter						
6	**Existing Meter Type**	**Meter Size**	**Quantity**	**Base Unit Install/Retrofit Cost for Each Premise**	**Extended Cost**	**Optional Vendor Clarification Comments**
6.1	Badger E-Series Ultrasonic	5/8"	537	68.12	$ 36,580.44	
6.2	Badger E-Series Ultrasonic	3/4"	1	68.12	$ 68.12	
6.3	1 Hersey Mag & 5 Badger E-Series	1"	6	68.12	$ 408.72	
6.4	Badger E-Series Ultrasonic	1 1/2"	13	112.12	$ 1,457.56	
6.5	Badger E-Series Ultrasonic	2"	10	112.12	$ 1,121.20	
6.6	1 Badger Mag & 7 Badger E-Series	3"	9	112.12	$ 1,009.08	
6.7	1 Hersey Mag & 2 Badger E-Series	4"	4	112.12	$ 448.48	
6.8	Badger Mag Meter	6"	1	112.12	$ 112.12	
6.9	Badger Mag Meter	8"	1	112.12	$ 112.12	
		AMI Modules	**582**		**$ 41,317.84**	

Installation Services Priced Incrementally for Meter/Module Installation					
7	**Installation Services (if any of these are included in your base quote, then insert $0 in the cost cell)**	**Premise Quantity**	**Incremental Add-on Service**	**Extended Cost**	**Optional Vendor Clarification Comments**
7.1	ID of the installer	5,010	No Charge		
7.2	Date/time the order is completed	5,010	No Charge		
7.3	Read from the removed water meter.	5,010	No Charge		
7.4	Read from the new water meter. The reading from the water meter being installed is expected	5,010	No Charge		
7.5	Serial number of the water meter being register installed.	5,010	No Charge		
7.6	FlexNet ID on SmartPoint Module	5,010	No Charge		
7.7	Meter Brand, Type and Model.	5,010	No Charge		
7.8	Meter Size	5,010	No Charge		
7.9	Is the current meter installed Vertically or horizontally: state direction. All joints should be leak tight.	5,010	No Charge		
7.10	Does the meter have a pressure reducing valve? Yes or No	5,010	No Charge		
7.11	Is there an electrical jumper? Yes or No	5,010	No Charge		
7.12	Is there a valve before and after the meter? Yes or No. Define the type of valve in place.	5,010	No Charge		
7.13	State the service line pipe material identification.	5,010	No Charge		
7.14	State location of the meter in the building.	5,010	No Charge		
7.15	Meter number of the water meter being removed; if applicable.	5,010	No Charge		

7.16	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as incorrect data, safety issues, potential tamper, premise repairs required, date/time found, Purchaser's party reported to, and other situations found in the field by the Supplier.	5,010	No Charge		
7.17	Comments section is to include the correct versus incorrect data found and note follow-up flag details.	5,010	No Charge		
7.18	Premise as-found condition (based on list to be provided by Purchaser).	5,010	No Charge		
7.18	Premise as-left condition (based on list to be provided by Purchaser).	5,010	No Charge		
7.19	Certification that locks and seals are in place - Y/N.	5,010	No Charge		
7.20	Digital photograph of the as-found meter/meter read.	5,010	No Charge		
7.21	Digital photograph of the empty water meter can with meter removed.	5,010	No Charge		
7.22	Digital photograph of the as-left meter/meter read.	5,010	No Charge		
7.23	- If repair required, a digital photograph of the water meter with the meter removed revealing	5,010	No Charge		
7.24	**Defective Plumbing:** The Supplier shall promptly notify the Purchase if defective plumbing is found that could prevent a safe meter change. If the Purchaser concurs, the installation will be deferred until repairs are made and the installer informed of the repair.	5,010	No Charge		
7.25	**Effective Shut-Off:** The first valve is defined as the upstream shutoff valve or the valve on the street side of the meter. The second valve is on the downstream side of the meter. The curb stop valve is located in the street right-of-way and shall be operated by Purchaser. The installer shall operate the first valve to obtain the shut-off necessary for meter installation: however, should the first valve be defective, the installer shall freeze the service connection upstream of the first valve to obtain the shut-off. Freezing shall be accomplished with the use of CO2 freeze packs, electrical freeze units, or dry ice. The installer shall freeze the service connection to accomplish shut-offs for accounts with inoperative first valves, at the customer's first scheduled appointment without having to reschedule. In cases where freezing cannot be employed to obtain the shut-off the meter installer shall inform the Purchaser to close the curb stop valve. Purchaser owns the curb stop and is responsible for repairing buried or broken curb stops. The installer shall note any plumbing problems on the installation record form.	TBD	$ 117.12		Additional Charge for Freeze shut off only
7.26	**Supplier Leak Testing:** After the installation of the metering system is complete, the installer shall open all valves and check for leaks. The installer shall verify that the meter register is functioning properly and that the meter and plumbing connections in the vicinity of the meter do not leak. All leaks or defects shall be repaired. It shall be presumed that any leaks in the vicinity of the water meter reported by the customer to either the Purchaser or the Supplier within 90 calendar days after completion of the installation work at the customer's property are the result of the installation work. The Contractor shall repair such leaks and correct all damages which occur during the 90-day period, at the Contractor's expense.	5,010	No Charge		
7.27	**Approach:** Please describe your proposed approach, at the minimum the installer should turn on the water at the customers hose bib to ensure water is flowing, the installer should flush out any sediment in the line. Then the installer should check for any leaks on the inlet and outlet side of the meter.	5,010	No Charge		
7.28	**Warranty:** Any leaks found within 90-days of the installation date must be covered by the Supplier's warranty. Any leaks from the outlet side of the meter back to the utility curbstop/shut-off valve are obviously the responsibility of the installer (or utility	5,010	No Charge		
	Total Add-on Services Priced Incrementally			**$ -**	

Installation Incremental Services for AMI Module Retrofit with Existing Meter					
8	**Retrofit Incremental Installation Services (if any of these are included in your base quote, then insert $0 in the cost cell)**	**Premise Quantity**	**Incremental Add-on Service**	**Extended Cost**	**Optional Vendor Clarification Comments**
8.1	ID of the installer.	582	No Charge		
8.2	Date/time the order is completed.	582	No Charge		
8.3	Read from the removed water meter register.	582	No Charge		
8.4	Read from the new water meter register. The reading from the water meter being installed is expected to be zero.	582	No Charge		
8.5	Confirm serial number of existing water meter.	582	No Charge		
8.6	Media Access Control (MAC) or IP address, if present, of the AMI endpoint being installed.	582	No Charge		
8.7	Confirm/document manufacturer of the existing meter body.	582	No Charge		
8.8	Follow-up flags indicating that Purchaser should investigate situations found at a premise such as incorrect data, safety issues, potential tamper, premise repairs required, date/time found, Purchaser's party reported to, and other situations found in the field by the Supplier.	582	No Charge		

8.9	Comments section is to include the correct versus incorrect data found and note follow-up flag details.	582	No Charge		
8.1	Premise as-found condition (based on list to be provided by Purchaser).	582	No Charge		
8.11	Premise as-left condition (based on list to be provided by Purchaser).	582	No Charge		
8.12	Certification that locks and seals are in place - Installer indicate Y/N.	582	No Charge		
8.13	Digital photograph of the as-found existing meter/meter read.	582	No Charge		
8.14	Digital photograph of the empty water meter with meter register removed.	582	No Charge		
8.15	Digital photograph of the as-left installed meter/meter read.	582	No Charge		
8.16	If repair is required, a digital photograph of the water meter with the meter removed revealing appearance (blocked, buried, other).	582	No Charge		
	Total Add-on Services Priced Incrementally			**$ -**	

	Vendor Assumptions
1	If you ERMU elects to have Allegiant dispose of the ERT batteries, we charge $4.85 each and provide an environmental certification.
2	Blanket Permit with a Master Plumber fee is $2500
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	

	Installation Cost Summary	Proposed Costs
1	One-Time Set-Up Fees	$ 41,039.11
2	Incremental One-Time Set-Up Fees	$ 11,157.00
3	Electric Meter Installation Fees	$ 212,761.80
4	If proposed and not included in 3 above - Incremental Electric Installation Fees	$ 14,931.60
5	Water Meter/Module Installation Fees	$ 450,053.08
6	Retrofit Installation Fees	$ 41,317.84
7	If proposed and not included in 5 above - Incremental Water Meter/Module Installation Fees	$ -
8	If proposed and not included in 6 above, Incremental Retrofit Water Installation Fees	$ -
	Total Proposed Cost	$ 771,260.43

Note: Vendors should confirm Summary for their own accuracy.

1.24c Statement of Work (Exhibit A)

Exhibit A: Statement of Work

1.0 Scope of Work Summary

The Contractor shall make a significant attempt to install 100% of the active meter/modules, other than any pre-agreed upon excluded meters before proceeding to the next metered location installations. During the term of this SOW, Contractor shall be expected to perform Services and manage the deployment process according to the Deployment Schedule. Contractor responsibilities shall include, but not be limited to, scheduling meter replacements, removing meters, installing meters, retrofitting AMI modules with existing water meters, inventory management, operating cross-dock facilities, tracking and reporting on project metrics and field deployment completion data, interface development, data file exchanges, and Work Management. Contractor will work with the Utility to make 3 attempts to exchange a meter before turning it back to the Utility (all three attempts are included in the pricing set forth below). The Utility will provide all new meters, new meter storage, material logistic support and temporary space to house de-installed meters. All National Electric Safety Code, American National Standards Institute (ANSI), and OSHA guidelines will be observed and followed by the Contractor. Any problems found on site by the Contractor's employees will be reported immediately to the Utility. A review of services will be conducted at the end of Phase I installation activities.

2.0 Definitions

"AMI" shall mean Advanced Metering Infrastructure.

"Black-Out Window" the time defined by Utility when Contractor must not complete meter exchanges.

"Certified Installed" shall mean those meters installed that have passed all QA processes with data being delivered to the Utility.

"CIS Data" shall mean the data file of work orders provided by Utility to Contractor from its customer information system NISC.

"Cycle" shall mean billing cycles that contain Routes.

"Deployment Schedule" shall mean the mutually agreed upon schedule developed by Contractor and Utility to support the scope set forth in this Statement of Work.

"Handheld" shall mean an electronic device (iPhone) or equivalent running Windows or Android on the latest version available from the manufacturer that is compatible with, and incorporated into, Contractor's software.

"Installation Attempt" shall mean physical visits, phone calls, letters, and other means to contact the End-User Customer.

"EndPoint" shall mean new AMI meter, new AMI meter and module or a new AMI module to be retrofitted with an existing water meter.

"End-User Customers" shall mean utility customers of Elk River Municipal Utilities.

"Installation Workshops" shall mean the structured startup Workshops led by Contractor for Utility staff to jointly define the detailed requirements and specifications for this project.

"Installers" shall mean the field technicians who install meters for this project.

"Life Support" shall designate locations where there is Life Support Equipment or other critical service requiring an appointment to install meters for this project.

"Peak Workflow" (Contractor's Work Management software) shall mean the workforce management software product used by Contractor for managing the performance of Services on this project. The utility will be using Peak Workflow for dashboard and program analytics.

"Route" shall mean meter reading routes.

"**RTUs – Return to Utility**" shall mean those Contractor work orders that need to be returned to Utility for further investigation or other action as defined in the Installation Workshops. RTUs are deemed complete as it relates to billing and completed work orders.

"Services" shall mean labor, material, equipment, tools, vehicles, transportation, storage, and other things and actions necessary to perform and to complete the scope set forth in this Statement of Work.

"UTC – Unable to Complete" shall mean those installations that Contractor is not currently able to complete due to issues of access or other reasons to be identified during the Installation Workshops. For avoidance of doubt, UTC items are still the responsibility of Contractor until they are either resolved or change to RTU status.

"Utility " shall mean Elk River Municipal Utilities.

3.0 Contractor Services

3.1 Quantity of Endpoint Installation: Installation of meter and modules quantities and schedule listed below in Section 3.

3.2 Customer Appointment Letters: Printing and Distribution of Pre-installation Customer Appointment Letters to all accounts.

3.**3 Door Hangers**: Printing of post-deployment door hanger to be hung in the field by the installer during deployment. The Utility will draft the verbiage and graphics for the post cards and door hangers and approve the final draft prior to printing by Contractor.

3.4 Scheduling of Appointments: Contractor will use their software to schedule the EndPoint installations.

3.5 Integration: of Contractors work management software with Utility's CIS.

3.6 Hiring of Installers: Onsite employee hiring and training of Contractor's staff.

3.7 Data security: Accountability to secure of Utility's data.

3.8 Hosting: Security store Contractor's software.

3.9 Call center: services to schedule water EndPoint installation. For revisits for electric meter installations, appointments would be made by either the Installer or through the Call Center.

3.10 Customer-Facing Appointment Web site: to allow End-User Customers to schedule their appointments and to make changes to scheduled appointments.

3.11 Installation Workshops: Work session between Utility and Contractor to talk through and agree on the planned installation processes, including new installer Onboarding training required.

3.12 Installation Project Management: Contractor is responsible for all hiring, all installation reporting, installation quantity control of workmanship, scheduling, inventory management, coordination with utility staff, and supervision of all staff, including call center and staff not directly assigned to Utility. Facilitate meetings with utility and Installation leads including weekly project management meetings and monthly management team meetings.

3.13 Certified and Unreachable Meters: Document all successful EndPoint change-outs and locations. All document meters/accounts that are determined to be not possible to install where problems exist beyond the Contractor's control.

3.14 Reporting: For both planned EndPoint installation, successfully completed installations and installations where the End-User Customer failed to be available for the scheduled deployment. Some examples of the reporting include: 1) scheduled and planned EndPoint installation, 2) Summary of installation successfully completed (Certified), 3) Inventory report, 4) Escalations with accounts returned to utility for support i.e. meter bypass, bad wiring, bad dog etc. 5) other Escalations due to problems, 6) installations completed daily and running tally for the week, 7) installations completed by installer and number of escalations by installer.

3.15 Installation Work Hours: Electric Meter Installation Times: Normal hours for the Contractor to work in the field doing meter installations at End-User Customer premises should never be before or after daylight hours, typically before 8 AM or after 5 PM Monday to Friday for most instances, unless requested by the End-User Customer. The hours can be extended past 5 PM in the summer months when the daylight is longer but not before 8 AM, unless requested by the End-User Customer. The specific installation time is to be coordinated monthly between Contractor and Utility. Water Meter Working Hours for Customer Appointments: 7:00 am until 7:00 PM Monday-Friday and 8:00 to 5 PM on Saturdays. Special circumstances outside of these

hours must have prior authorization from Utility.

3.16 Black-Out Window: Utility will define when Contractor must not complete meter exchanges. During Installation Work sessions, Contractor and Utility shall agree on a route release schedule that ensures routes and billing cycles will be released to the Contractor in a manner such that installations can continue on certain routes / billing cycles while others are in black-out. The black-out dates are listed in Black-Out Schedule (Attachment III).

3.17 Route Completion: Shall mean when 99% of the defined meters assigned to Contractor in the route is completed as each meter will be defined as either 1) Certified, 2) Return to Utility to Install, 3) Pending and waiting new install date/time, 4) escalated to the utility.

3.18 Water Meter Appointments: Failure of an End-User Customer to be available for a scheduled appointment such as not being home and/or allowing access to the premises is defined as a Missed Appointment.

3.19 Revisiting Installed Meter Locations: When Contractor revisits previously installed equipment at Customer's request within 14 days of installation to troubleshoot the installation, the cost of this revisit will be the same cost as the original installation. If the revisit results I Contractor determining that there was an installation issue caused by Contractor, there will be no charge to Utility for the revisit.

3.20: Unable to complete Installation: - Allegiant may come across meter locations that are unable to be completed. Classifications of Meters that are unable to be completed are: Not able to locate, End-User Customer refusal, Obstruction, Locked Gate, No Access, Unsafe Animals, Customer Side Leak, Utility Side Leak, Inoperable curb stop, Direct connect without shut offs. Meter does not match work order.

3.21: Out of Scope: Traffic lights, railroad crossing, meter exchanges in confined spaces and polyphase meters as agreed to by all Parties.

3.22: Integration with NISC: As defined in Attachment I Requirements Response.

4.0 Deployment Schedule

The Contractor must maintain a forward-looking detailed installation schedule based on the Deployment Schedule.

The Contractor will deploy approximately 100 electric meters and 20 water EndPoints during Utility's initial deployment period. The Contractor's personnel will be onsite to deploy meters for approximately 1- 2 weeks continuously, during which all meter and EndPoint installations will be performed.

- Utility shall provide updates on anticipated full deployment start date once a month after initial deployment period. At least 45 days prior to the start of the full deployment, Contractor will confirm the full deployment start date.

- Both Parties will mutually agree to the schedule in the table below.
- The agreed upon schedule is expected to have a reasonable ramp-up period at the start of the deployment followed with a steady state period anticipated to occur over a continuous 10-month period and ending with a ramp down process.
- A Deployment Schedule by EndPoint will be created as part of the Installation Workshops.

Project entails the following:

Completion of electric and water EndPoint quantities listed below.

Task	**Targeted Completion Date**	**Estimated Calendar Months to Complete**	Anticipated Calendar Months	**Role of the Selected Endpoint Installation Vendor**
If both Contractor and Utility agree, the dates below could be accelerated or extended.				
Project Sponsors Logistical Kick-off: (Within Two weeks from Contracting)	Month 1	3	March 2024	Logistics
Phase I Initial Deployment Area (IDA): Pre-Installation Planning, System Integration, and Installing of IDA meters	Month 1, 2 and 3		March-May 2024	Training and Install ~150 meters*
***Work Stoppage Between Phase 1 and Phase II**	30-60 days	2	June 2024	None.
Phase II Full Deployment: (Full System Deployment)	Months 4-13	10	July 2024-May 2025	Install all remaining electric meters, water modules and water meters
TOTAL TIME:		15		15 months

Planned Deployment Timeline Meters Per Month

Month	Electric Meters	Water Meters & Modules Replacements	Water Modules to be Retrofit with Existing Water Meter
Months 1-3 (IDA)	100 By Contractor	20 By Contractor	5
Full Deployment Area (the quantities below are estimates and will be finalized during pre-deployment workshops)			
4	1210	500	75
5	1210	500	75

6	1210	500	75
7	1210	500	75
8	1210	500	75
9	1210	500	75
10	1210	500	75
11	1210	500	51
12	1210	500	0
13	1140	490	0
Total	**12,270**	**5,010**	**581**

5.0 Customer Installation Appointment Scheduling

5.1 Electric Appointments: For locations behind gates without gate keys available from the utility, obstructed electric meter locations and other "access " issues that an appointment may be necessary to exchange the electric meter, Contractor shall notify the Utility for mutual resolution. All electric meters are located on the outside of the premises.

5.2 Maximum of 3 Attempts: For those locations where the Contractor may be required to contact the customer prior to performing the work, the Contractor should make a minimum of three (3) attempts to contact the customer. If after three (3) attempts the Contractor is unable to contact the customer for electric or for water the customer failed to keep a committed appointment, the Contractor should then provide records showing the attempted contacts and proceed to change the meter. Please state otherwise if (3) attempts are not standard practice in Utility's preferred model and/or if it is not included in the base bid.

5.3 Scheduling of Water Meter Appointment: Contractor should provide a toll-free number for customer questions regarding installation scheduling. End-User Customers may use Contractor's toll-free number for general AMI questions. Numbers to be listed on all customer communications. Contractor must also provide a Web Based Water Meter/Module as a means for customers to schedule installation appointments via web site. The Contractor must also include a means for End-User Customers to change their installation appointments via a web site.

6.0 Work Order and Data Integration AMI Meter Implementation

Allegiant Utility Services proprietary WMS, Peak Workflow™, is purpose-built platform for utility mass deployment and exchange projects in the electric, water, gas, and clean energy markets.

Digital data is captured in real-time. As Technician captures data and photos, it is uploaded to Allegiant's cloud instantly, allowing full role-based visibility to everyone on the project including Utility staff, Program Managers, Project managers and affiliate team members. Allegiant's digital platform reduces human error that can occur during large scale projects, ties seamlessly into standard operating procedures and provides a managed workflow. All information captured in the field can be efficiently reviewed and approved with the quality assurance features. Allegiant knows the Technician may not always be connected, so Allegiant's mobile app is smart about managing data allowing Technicians to work even in the remotest areas throughout the day.

Allegiant's project team will work with Utility's staff to develop and manage the transfer of data throughout the course of the project. On average, it takes 3-4 weeks to set up all the files and build out Allegiant's work order system for a project. Project start-up and WMS configuration can be condensed to as little as 2 weeks as Allegiant's team has capability execute testing and setup quickly.

6.1 Key Peak Workflow Features

Project Management

- Track and visualize production across services installed vs. not installed
- Overall status of all work orders
- Understand all current activities in the field
- Quality assurance tools

Customer Service

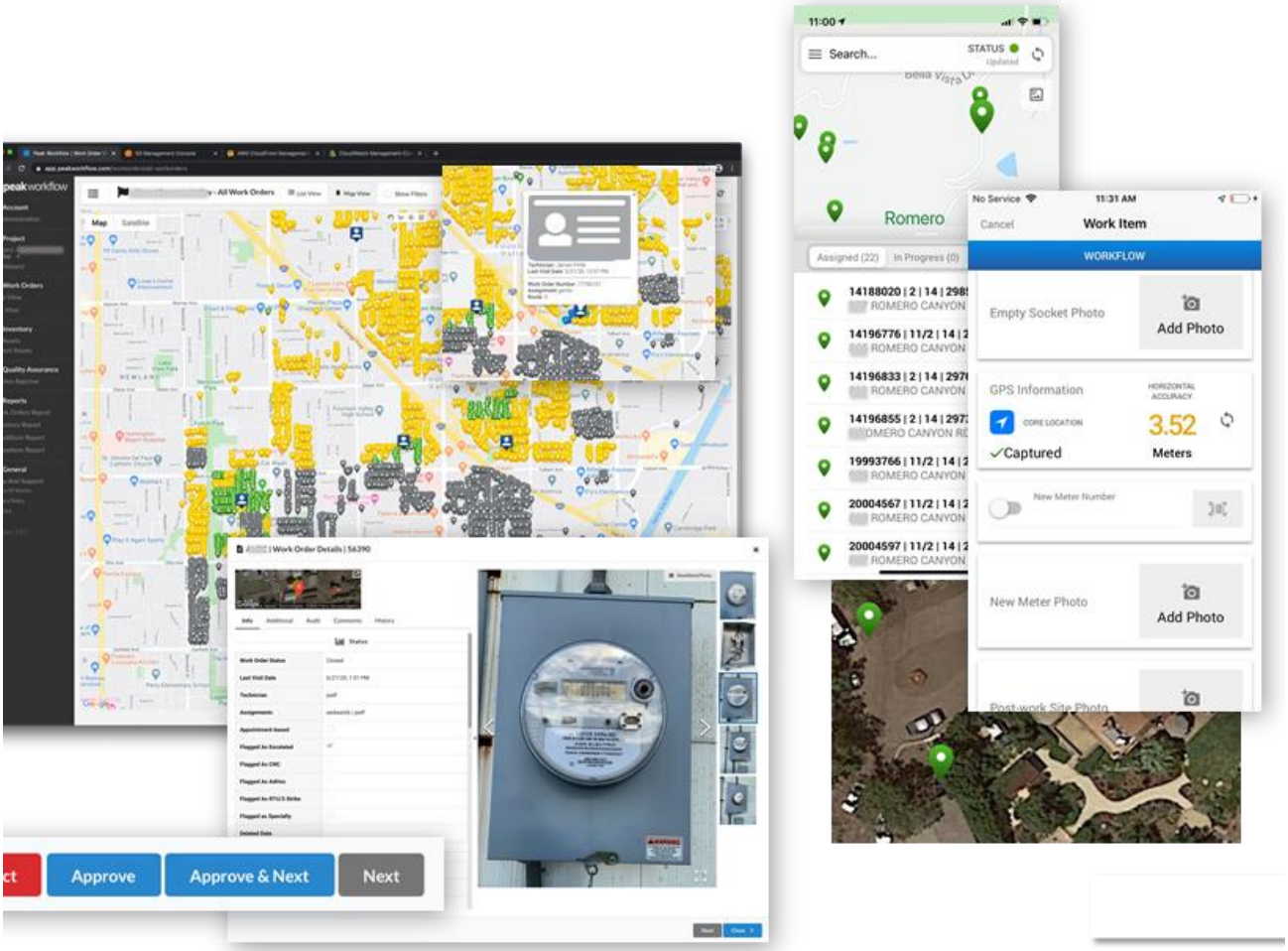
- Searchable data and photos
- Determine technician locations, view badges

Data Management

- Completion Reports
- Technician Performance Reports
- Inventory Control Reports
- Daily Activity Emails

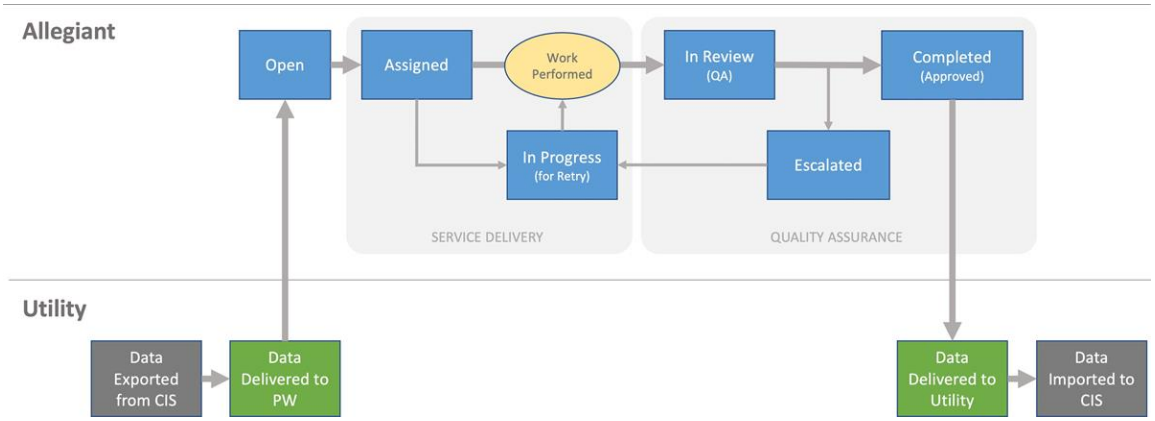
Customized, Managed and Detailed Workflow

- Enables in-field quality controls
- Enforce SOP per project
- Flexible per project requirements
- Capture data, photos and GPS
- Data validation on save


Approve
Approve & Next
Next
Search...
STATUS
Romero
Assigned (22)
In Progress (0)
Cancel
Work Item
WORKFLOW
Empty Socket Photo
Add Photo
GPS Information
3.52
Captured
Meters
New Meter Number
New Meter Photo
Add Photo

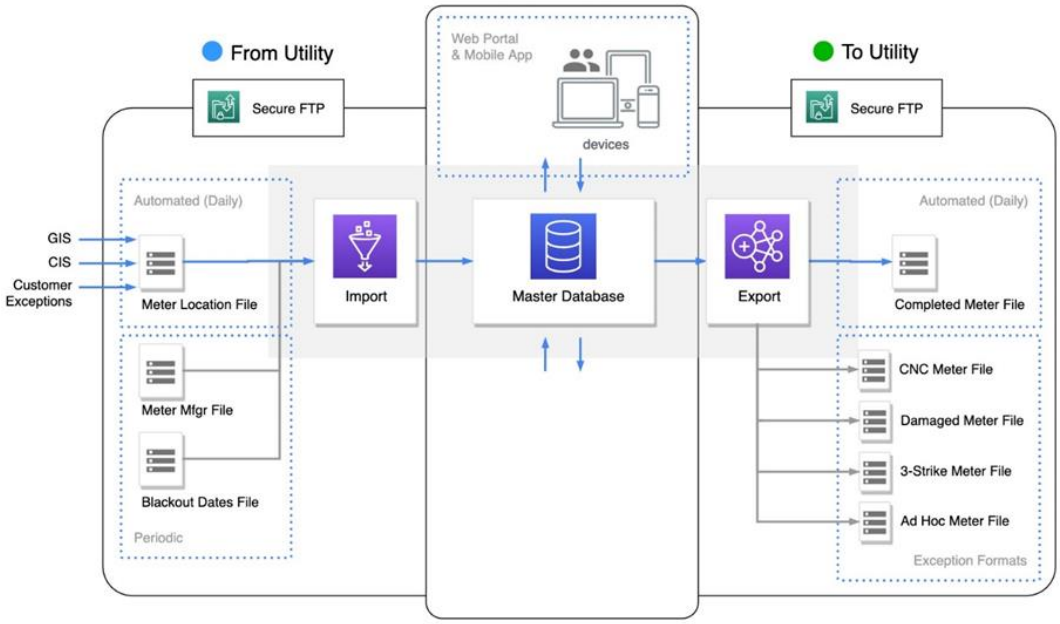
6.2 Workflow Status Overview

Information flows from the Utility's CIS into Allegiant's Service Delivery and Quality Assurance processes then exchange data is delivered back to the Utility CIS system.



6.3 Primary Data Transfer File requirements:

a. Location File
b. Post Meter Change Out Export File
c. MMF file
d. Blackout Dates
e. Damaged Meter
f. CNC Meter File
g. 3 Strike File



6.4 Location File

Allegiant will work with Elk River, MN to create a CSV file that contains the following data elements to load into Allegiant's "Peak Workflow" program conducting the meter exchanges in the field.

Sample:

Allegiant Utility Services Template - Existing Meter Location File — CSV Preferred File Format

Instructions: Update column headers, column positions, and length constraints as appropriate to Utility's CIS.

Required	Column Header from Utility CIS	Length	Column Position	Notes
X	Account	50	1	Customer account number
X	Old Meter Number	20	2	Old meter serial number (Primary Key)
X	Last kWh Reading	10	3	Typical KWH reading
X	Meter Form	15	4	i.e. 2S, 2S-SD, etc.
X	Read Notes	100	5	Notes regarding service location, gate codes, etc.
X	SubArea	50	6	i.e. Substation
X	Circuit Number	50	7	i.e. Feeder
X	Billing Cycle	50	8	Code or name of cycle
X	Route	50	9	Code or name of route
X	Old Latitude	15	10	Can be 18 if needed for NISC
X	Old Longitude	15	11	Can be 19 if needed for NISC

Account	Old Meter Number	Last kWh Reading	Meter Form	Read Notes	SubArea	Circuit Number	Billing Cycle	Route	Old Latitude	Old Longitude
34534534	TS3242353	3425	2S	Gate Code:1234	02	04	03	01	44.9453656	-93.3358785
64645456	TS329546	4203	2S		01	03	02	02	43.5403388	-109.6520657

a. Location files are typically loaded daily/weekly during the course of the project to keep the data up to date.
b. Files are typically sent across Allegiant's SFTP site.
c. Post Meter Change Out Import File
d. Allegiant will work with Utility to create a file for import into NISC for the meter change outs.

Sample:

Allegiant Utility Services Template - Completed Meter Exchange File (Extended) — CSV Preferred File Format

Instructions: Update column headers, column positions, and length constraints as appropriate to Utility's CIS.

Exported	Column Header to Utility CIS	Length	Column Position	Notes
X	**Account**	**10**	**1**	Customer account number
X	**Old Meter Number**	**15**	**2**	Old meter serial number
X	**Old kWh Reading**	**10**	**3**	
	Old kW Reading	10		Optional based on project
	Old kVa Reading	10		Optional based on project
	Old kVar Reading	10		Optional based on project
X	**New Meter**	**15**	**4**	
X	**New kWh Reading**	**10**	**5**	
	New kW Reading	15		
	New kVa Reading	15		
	New kVar Reading	15		
	New Meter Dial	10		
X	**Reading Date**	**8**	**6**	UTC unless otherwise agreed
	Meter Set Number	5		
	Demand Code	5		
	Service Location	20		
	Map Number	20		
X	**New Latitude**	**15**	**7**	Can be 18 if needed for NISC
X	**New Longitude**	**15**	**8**	Can be 19 if needed for NISC

Account	Old Meter Number	Old kWh Reading	New Meter	New kWh Reading	Reading Date	New Latitude	New Longitude
235345653	TS3453453	3452	81929392934	0	2019-01-01	43.5403388	-109.6520657

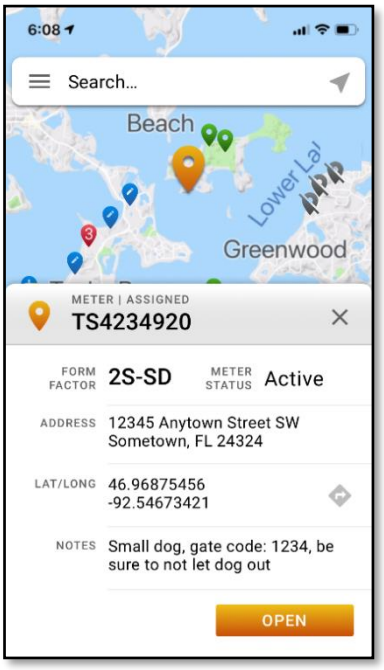
e. Allegiant will work hand and hand with you to ensure the file formats are correct through the data validation period of the project.
f. Meter change out files can be provided daily by using Allegiant's SFTP site.
g. Photo uploads to the NISC or other applicable are available in batches of 1000 meters which equates to 5000 photos. Allegiant uses the standard NISC XML format for the Vault.

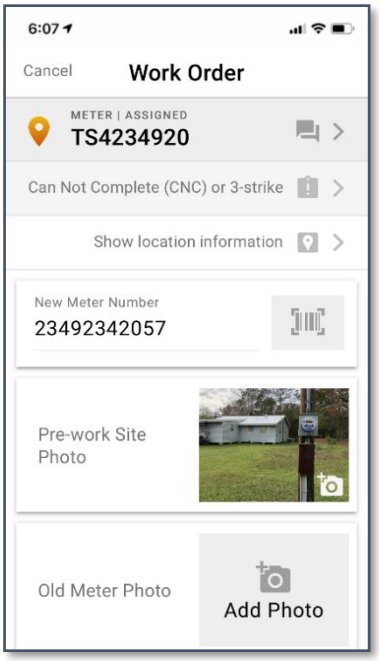
6.5 Meter Manufacture File "MMF"

a. The MMF is loaded into Allegiant's WMS, Peak Workflow, program and used to validate the new meters going into the field ensuring Allegiant has the correct bar coding.
b. MMF files are typically provided through the course of the project as meter shipments are delivered.

6.6 Handheld Devices

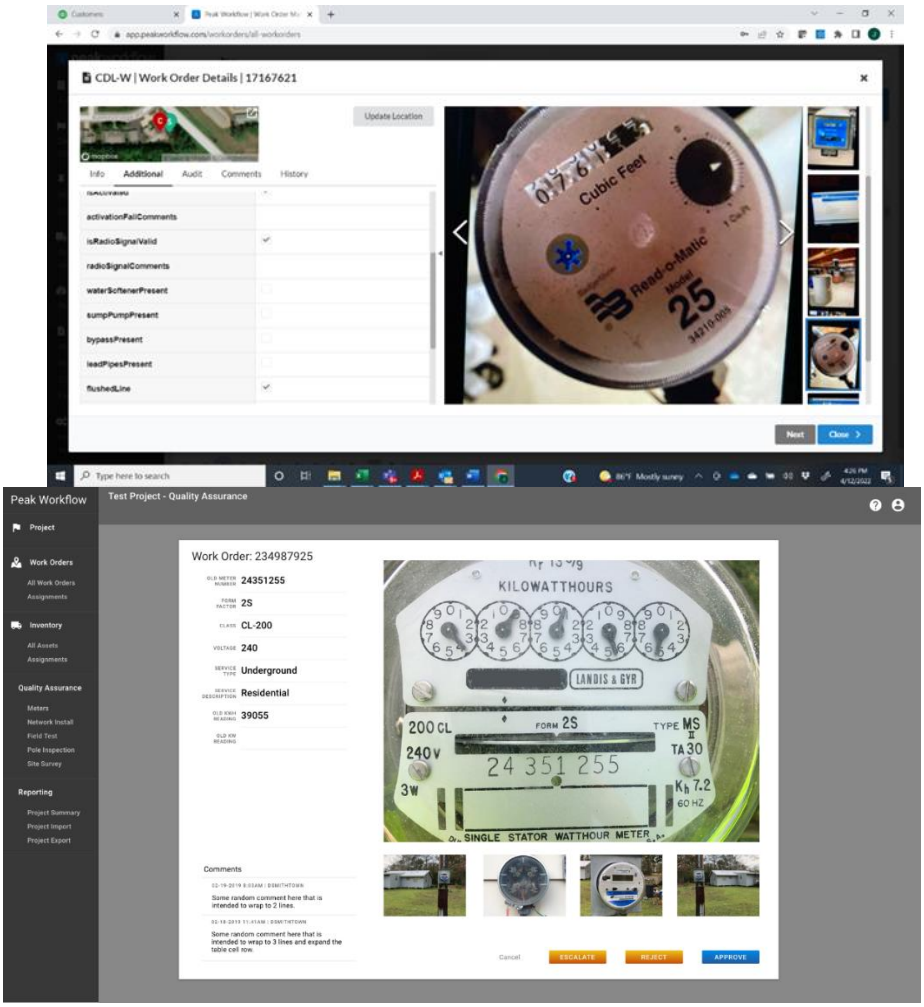
a. Meters tracked in map interface on Allegiant's handhelds
b. Flexible meter reading inputs
c. New meter numbers scanned in





6.7 Web Tools

Meters install detail screen:



6.8 Deployment Progress Tracking

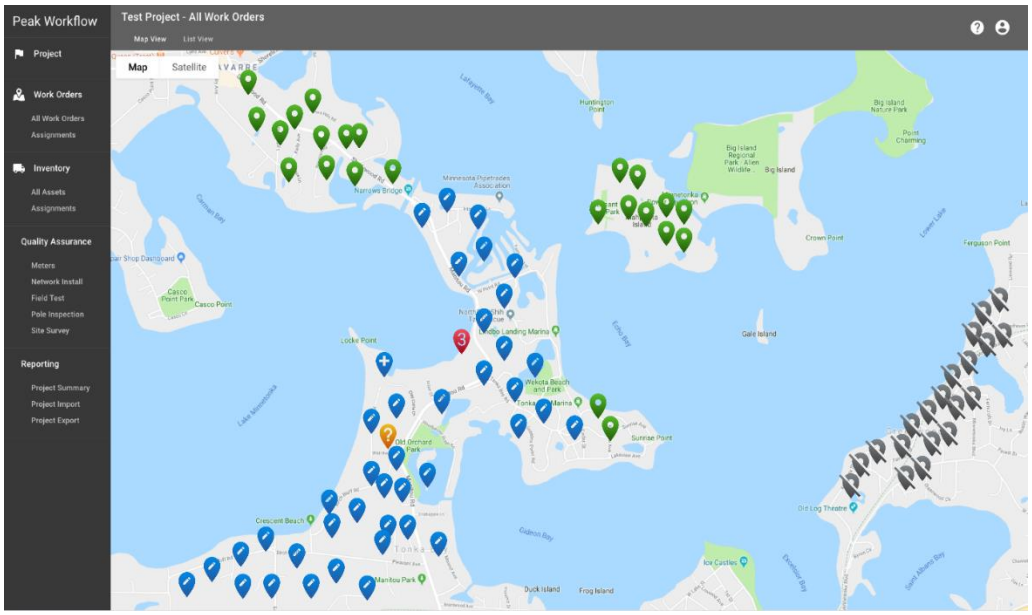
During the project onboarding process, Allegiant Utility Services will align with ERMU (Elk River Municipal Utilities) on the desired production schedule. Typically, this is based on cycle and route or substation and circuit depending on the utilities network infrastructure and other considerations. This can be focused on single geographic regions or multiple areas again determined in collaboration with the utility.

Allegiant's WMS has two primary views for work order assignment: list view and map view. The same powerful filter and search functionality is available on both views. Filters include status, district, substation, circuit, cycle, route, book, user-defined groups, form factor, technician, and other custom filters. Search includes serial numbers, customer, account, address, and other fields. Filter and search efficiently locate

appropriate record set for analysis and assignment to skilled Technician.

Map views add capabilities to visualize by status including blackouts, district, substation, circuit, cycle, route, and assignment. Further shapes can be drawn directly on filtered or unfiltered views on the map to make assignments or save a user-defined group for later quick reference. For example, a program manager may filter the map view down to a specific circuit or route and form factor, then use the geo-shape tools to split it into assignments across differently skilled Technicians.

a. Updated daily
b. Color coded to track completed and skipped meters.
c. Organized by Technician and meter type



6.9 Utility Access

a. Unlimited access to web portal included in base contract during the deployment.
b. Secure login for each user
c. Custom reporting

Application and Support

Allegiant's proprietary WMS, Peak Workflow, offers robust configuration to meet Utility's requirements. UTILITY will have 24/7 access to the Peak Workflow web portal and related Mobile App. UTILITY staff will be assigned various roles that allow access to appropriate features. UTILITY Admin users will have the broadest access to the web portal with capabilities to view status, view planned progress and dashboards, assign work and inventory to Technician users and report all data. UTILITY Viewer users will have access to the same views/reports as Admin's, however, cannot affect change on the data. Technician users will have

access to work order maps and data capture features within the Mobile App.

a. Administration

i. areas including features like quality assurance, user management and multi-project reporting for an Account-level Admin will not be accessible.

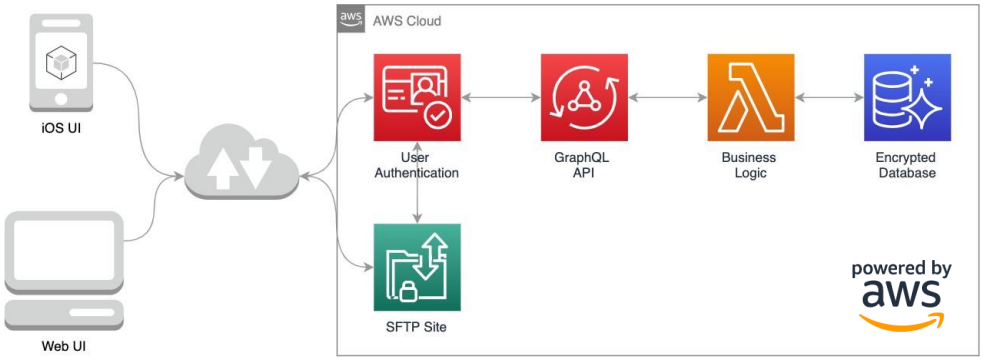
b. Support

i. Allegiant provides 24X7 support on the applications.

c. Validations

i. In field validation of every data entry ensures accurate information.
ii. New meter numbers scanned for accuracy and compared to preloaded list of available meters.
iii. Meter reading dates preloaded to allow utility defined blackout period.
iv. Meters cannot be changed out during blackout period.
v. Database post processing ensures data integrity and accurate billing.
vi. Follow up reporting provided for meters not found in field, or inaccessible for change out after multiple efforts to access site.

6.10 High Level Security and Architecture



- Modern Technology Stack
- 99.9% Uptime
- Encrypted Web and Mobile access via SSL/TLS
- Data and file-level encryption
- Cloud infrastructure protected within Virtual Private Network
- Redundant backups and clustered database instances
- SFTP encrypted site for file sharing

7.0 High-level Warehousing and Storage

1. Material Handling
    a. Utility issued keys and barrel lock tools will be tracked per technician.
    b. Technician will return old meters daily
        i. Old meter serial numbers on outside of box
        ii. Initials of tech and date on outside of box
    c. Old meters will be palletized and shrink wrapped
2. Meter Salvage
    a. Salvage Meter Process
        i. Allegiant palletizes and shrink wraps
        ii. Allegiant will pick up meters Monthly after hold period

8. 0 Call Center

1. Staffed 7 AM– 7 PM CST
2. #800 assigned to project
3. IP based platform support call forwarding to contacts
4. Call Volume Reporting and Issue tracking
5. Recording for calls and voicemail provided upon request

9.0 Safety Program Summary

1. All employees go through rigorous hot socket and meter handling training to ensure all of Allegiant's employees are following all appropriate guidelines.
2. Each Allegiant employee wears PPE gear to include the following:
    - Safety glasses\Face shield
    - Hardhat
    - Logoed FR shirt and pants
    - Protective footwear
    - 600 Volt protective gloves and leathers
    - FR High Viz vest
3. Allegiant employees are issued appropriate contractor ID badges.
4. Daily/Weekly tailgate meetings are conducted to review the safety guidelines and review any field incidents.
5. In the event a meter exchange results in an unsafe meter can condition Allegiant's employees will follow the local utility procedures and wait onsite until a utility personnel arrives.

Safety manual will be provided for a detailed review of Allegiant's program.

1.24d Change Orders as provided after contracting

1.24e Certificate of Insurance

Certificate of naming Elk River Municipal as additional insured

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 2/13/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Watkins Insurance Group - Austin
3834 Spicewood Springs Rd, Ste 100
Austin TX 78759

CONTACT NAME: Madison Mosley
PHONE (A/C, No, Ext): 512-452-8877 FAX (A/C, No): 512-452-0999
E-MAIL ADDRESS: mmosley@watkinsinsurancegroup.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Charter Oak Fire Insurance Company	25615
INSURER B : Travelers Property Casualty Company of America	25674
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED ALLEUTI-01
Allegiant Utility Services, LLC
Sooner Meter Sales & Service, Inc., DBA Bellwether Management Solutions
14319 Gregg Manor Rd ste 101
Manor TX 78653

COVERAGES CERTIFICATE NUMBER: 1095957369 REVISION NUMBER: 002

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			6300S487893	4/1/2023	4/1/2024	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY X PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			8109R568625	4/1/2023	4/1/2024	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	UMBRELLA LIAB X OCCUR			CUP3J365666	4/1/2023	4/1/2024	EACH OCCURRENCE	$ 10,000,000
	X EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 10,000,000
	DED X RETENTION $ 10,000							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	Employee Benefit Liab			6300S487893	4/1/2023	4/1/2024	Claims Made/Aggregate	1000000/2000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Elk River Municipal Utilities is additional insured on the general liability policy with waiver of subrogation where required by written contract.
30 day notice of cancellation endorsement applies when required by written contract.

CERTIFICATE HOLDER

Elk River Municipal Utilities
13069 Orono Parkway NW,
Elk River MN 55330

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.

ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

1.24f Performance Bond

AIA Document A312™ – 2010

Bond No. CMS0354759

Performance Bond

CONTRACTOR:
(Name, legal status and address)
ALLEGIANT UTILITY SERVICES, LLC
14319 Gregg Manor Rd STE 101
Manor, TX 78653

SURETY:
(Name, legal status and principal place of business)
RLI INSURANCE COMPANY
9025 North Lindbergh Drive
Peoria, IL 61615

OWNER:
(Name, legal status and address)
ELK RIVER MUNICIPAL UTILITIES, ELK RIVER, MINNESOTA
13069 Orono Parkway NW
Elk River, MN 55330

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312–2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

CONSTRUCTION CONTRACT
Date:
Amount: Seven Hundred Seventy One Thousand Two Hundred Sixty and 43/100 Dollars ($ 771,260.43)

Description:
(Name and location)
Electric Meter and Water Endpoint Installation Services and Meter Technician Services

BOND
Date: 2/14/24
(Not earlier than Construction Contract Date)

Amount: Seven Hundred Seventy One Thousand Two Hundred Sixty and 43/100 Dollars ($ 771,260.43)

Modifications to this Bond: ☒ None ☐ See Section 16

CONTRACTOR AS PRINCIPAL
Company: *(Corporate Seal)*
ALLEGIANT UTILITY SERVICES, LLC

Signature:
Name and Title: Sean Durkin CFO

SURETY
Company: *(Corporate Seal)*
RLI INSURANCE COMPANY

Signature:
Name and Title: Derek J. Estrin, Attorney-In-Fact

(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:
CSE SPECIALTY - AON RISK SERVICES CENTRAL, INC.
200 E. Randolph, 5th Floor
Chicago, IL 60601

OWNER'S REPRESENTATIVE:
(Architect, Engineer or other party:)

AIA Document A312™ – 2010. The American Institute of Architects.

1.24g Workers' Compensation Certificate

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 02/13/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Aon Risk Services, Inc of Florida
701 Brickell Avenue, Suite 3200
Miami, FL 33131

CONTACT NAME: Aon Risk Services, Inc of Florida
PHONE (A/C, No, Ext): 833-538-2802 FAX (A/C, No):
EMAIL ADDRESS: ADPTS@Aon.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : New Hampshire Ins Co	23841
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
ADP TotalSource I, Inc.
5800 Windward Parkway
Alpharetta, GA 30005
ALTERNATE EMPLOYER
Allegiant Utility Services LLC
192 Technology Parkway, Suite 500
Peachtree Corners, GA 30092

COVERAGES CERTIFICATE NUMBER: 4856871 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. LIMITS SHOWN ARE AS REQUESTED.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE / OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY / PROJECT / LOC						PRODUCTS - COMP/OP AGG	$
	OTHER							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO / OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per person)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DEC / RETENTION $							
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC 034274995 GA	01/08/2024	07/01/2024	X PER STATUTE / OTH-ER	
							E.L. EACH ACCIDENT	$ 2,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 2,000,000
							E.L. DISEASE - POLICY LIMIT	$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
All workaite employees working for ALLEGIANT UTILITY SERVICES LLC, paid under ADP TOTALSOURCE, INC.'s payroll, are covered under the above stated policy. ALLEGIANT UTILITY SERVICES LLC is an alternate employer under this policy.

CERTIFICATE HOLDER

Elk River Municipal Utilities
13069 Orono Parkway NW
Elk River, MN 55330

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Aon Risk Services, Inc of Florida

© 1988-2015 ACORD CORPORATION. All rights reserved.

ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

1.24h Blackout Schedule (Attachment III)

Cycle	Black Out Begin	Meter Read Date	Black Out End
3	3/19/2024	3/19/2024	3/28/2024
4	3/22/2024	3/26/2024	4/4/2024
1	3/29/2024	4/2/2024	4/11/2024
2	4/5/2024	4/9/2024	4/18/2024
3	4/12/2024	4/16/2024	4/25/2024
4	4/19/2024	4/23/2024	5/2/2024
1	5/3/2024	5/7/2024	5/16/2024
2	5/10/2024	5/14/2024	5/23/2024
3	5/17/2024	5/21/2024	5/30/2024
4	5/24/2024	5/28/2024	6/6/2024
1	5/31/2024	6/4/2024	6/13/2024
2	6/7/2024	6/11/2024	6/21/2024
3	6/14/2024	6/18/2024	6/27/2024
4	6/21/2024	6/25/2024	7/5/2024
1	6/28/2024	7/2/2024	7/11/2024
2	7/5/2024	7/9/2024	7/18/2024
3	7/12/2024	7/16/2024	7/25/2024
4	7/19/2024	7/23/2024	8/2/2024
1	8/2/2024	8/6/2024	8/15/2024
2	8/9/2024	8/13/2024	8/22/2024
3	8/16/2024	8/20/2024	8/29/2024
4	8/23/2024	8/27/2024	9/5/2024
1	8/30/2024	9/3/2024	9/12/2024
2	9/6/2024	9/10/2024	9/19/2024
3	9/13/2024	9/17/2024	9/26/2024
4	9/20/2024	9/24/2024	10/3/2024
1	9/27/2024	10/1/2024	10/10/2024
2	10/4/2024	10/8/2024	10/17/2024
3	10/11/2024	10/15/2024	10/24/2024
4	10/18/2024	10/22/2024	11/4/2024
1	11/1/2024	11/5/2024	11/14/2024
2	11/8/2024	11/12/2024	11/21/2024
3	11/15/2024	11/19/2024	11/28/2024
4	11/22/2024	11/26/2024	12/5/2024
1	11/27/2024	12/3/2024	12/12/2024
2	12/6/2024	12/10/2024	12/19/2024

3	12/13/2024	12/17/2024	12/27/2024
4	12/20/2024	12/26/2024	1/3/2025
1	12/27/2024	1/7/2025	1/16/2025
2	1/10/2025	1/14/2025	1/23/2025
3	1/17/2025	1/21/2025	1/30/2025
4	1/24/2025	1/28/2025	2/6/2025

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in duplicate the day and year first above written.

ELK RIVER MUNICIPAL UTILITIES
13069 ORONO PARKWAY NW,
ELK RIVER, MN, 55330

By: _____
Mark Hanson, General Manager

ALLEGIANT UTILITY SERVICES, LLC
14319 Gregg Manor Rd STE 101
Manor, TX 78653

BY: _____
Jeff Schechtman, Chief Operating Officer

Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Dave Ninow – Water Superintendent
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1h
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Delivered 8 new water meters, installed a Smart Point module, and took curb stop ties.

- Completed 20 BACTI/Total Chlorine Residual Samples
    - All confirmed negative for Coliform Bacteria
    - Bacteriological/Disinfectant Residual Monthly Report submitted to the MDH

- Completed 20 routine fluoride samples
    - All samples met MDH standards
    - Submitted MDH Fluoride Report
    - Completed one MDH validation fluoride sample

- Submitted Discharge Monitoring Report (DMR) for the diesel generation plant to the Minnesota Pollution Control Agency.

- Submitted Tier II Annual Reports to the Department of Homeland Security for the diesel generation plant and all the water treatment plants.

- In reviewing video taken of well 7 while the pipe, pump, and motor were removed for maintenance, it was determined that the screen needed to be cleaned due to over 20 years of mineral buildup. The screen cleaning process involves a combination of a carefully planned chemical treatment and physical removal of mineral deposits. The cleaning process was completed March 1, and a new video was taken of the well that shows that the screen looks almost new again. Before and after pictures are attached.

- Work has been completed replacing the programable logic controller (PLC) for well #9. This will allow our Supervisory Control and Data Acquisition (SCADA) system to communicate through fiberoptic instead of the current radio system that has had some reoccurring communication issues at this site.

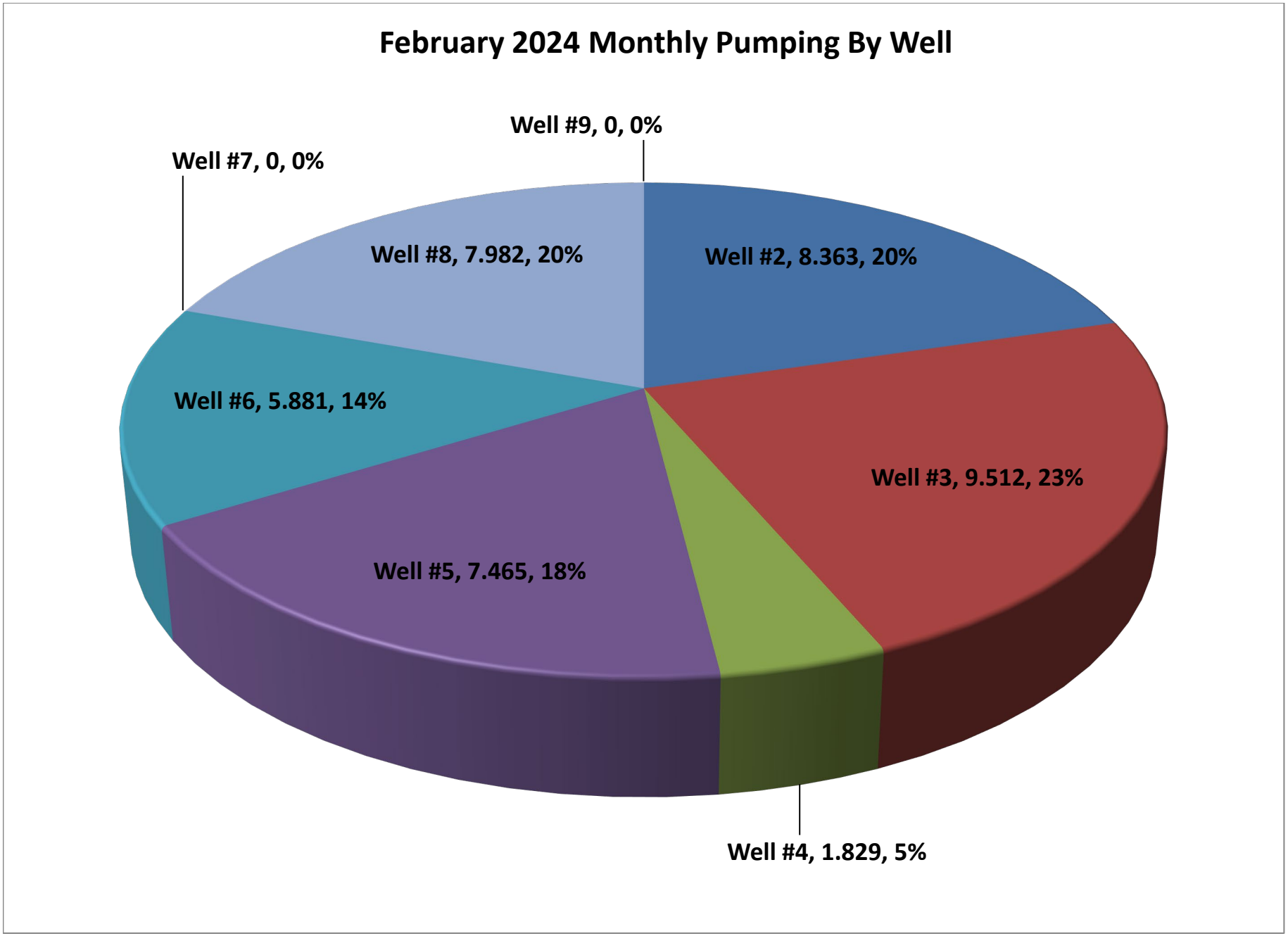
- The back-up dialer unit that calls out system alarms to staff in case the main SCADA system dialer program fails to call out has been upgraded. This will help ensure that system alarms are sent out so that staff are notified of, and are able to react to, any issues that may be happening in the water system.

- Verizon wireless has completed their most recent equipment upgrade project at Freeport Water Tower.

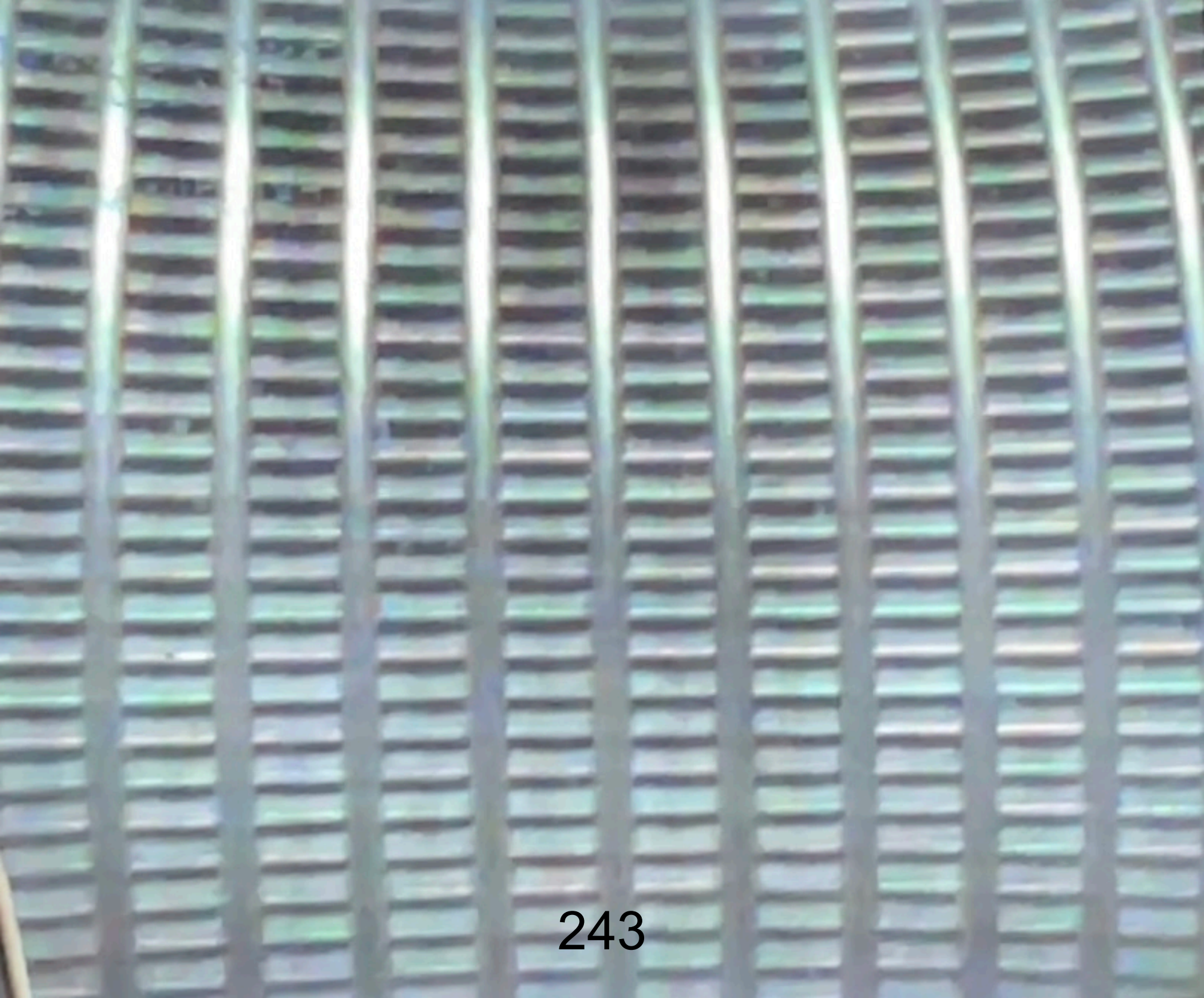
- The water operators have spent much of their time performing annual preventive maintenance on the water treatment plants.

ATTACHMENTS:

- February 2024 Pumping by Well
- Picture of Well 7 Screen Before Cleaning
- Picture of Well 7 Screen After Cleaning



Values Are Displayed in Millions of Gallons (Well #, Gallons Pumped, Percentage of Pumping)



Elk River Municipal Utilities

UTILITIES COMMISSION MEETING

TO: ERMU Commission	**FROM:** Chris Kerzman – Engineering Manager
MEETING DATE: March 12, 2024	**AGENDA ITEM NUMBER:** 6.1i
SUBJECT: Staff Update	
ACTION REQUESTED: None	

DISCUSSION:

- Fiber installation has begun on the expansion in the northeast portion of our service territory. The contractor completed installation of conduit in the first phase, and progress has been going well.

- We continue to work on the planning and design of the future East substation, which will be needed to support development in the southeast portion of our service territory.

- Work continues on mapping verifications, and locators are adding GPS information for water curb stops into the database. Winter mapping review and verifications are going well.

Elk River Municipal Utilities

2024 GOVERNANCE AGENDA

Tuesday, January 9: • Annual Review of Committee Charters	Tuesday, February 13: • Review Strategic Plan and 2023 Annual Business Plan Results
Tuesday, March 12: • Oath of Office • Election of Officers • Annual Commissioner Orientation and Review Governance Responsibilities and Role	Tuesday, April 9: • Audit of 2023 Financial Report • Financial Reserves Allocations • Review 2023 Performance Metrics
Tuesday, May 14: • Annual General Manager Performance Evaluation and Goal Setting	Tuesday, June 4: • Annual Commission Performance Evaluation
Tuesday, July 9: • Review and Update Strategic Plan	Tuesday, August 13: • Annual Business Plan – Review Proposed 2025 Travel, Training, Dues, Subscriptions, and Fees Budget
Tuesday, September 10: • Annual Business Plan – Review Proposed 2025 Capital Projects Budget	Tuesday, October 8: • Annual Business Plan – Review Proposed 2025 Expenses Budget
Tuesday, November 12: • Annual Business Plan - Review Proposed 2025 Rates and Other Revenue • Adopt 2025 Fee Schedule • 2025 Stakeholder Communication Plan	Tuesday, December 10: • Adopt 2025 Official Depository and Delegate Authority for Electronic Funds Transfers • Designate Official 2025 Newspaper • Approve 2025 Regular Meeting Schedule • Adopt 2025 Governance Agenda • Adopt 2025 Annual Business Plan