

**UTILITY BOARD OF TRUSTEES  
CITY HALL COUNCIL CHAMBERS  
September 21, 2022**

Present: Aaron Eltrich, Robert Herring, Megan Andresen, and Abby Gehl

Absent: Jan Kahler

Eltrich called the meeting to order at 4:32 p.m.

Motion by Andresen, seconded by Gehl; all ayes, to approve the agenda.

Motion by Herring, seconded by Andresen; all ayes, to approve the minutes.

Audience: None

Update on 2022 goals:

Chris Krogman utility manger reported on the following goals by department:

- Administration- 2 retired- Julie Babcock and Carmen Gerlach; 2 hired- Adrianna Fier and Karisa Myatt-Brown; both working out well. Office job descriptions and pay scale were updated. Working on negotiations for the new contract; to be completed by year end. Training continuation in North Star/Energy IP- going well; employees have gone to Sun Prairie for some in person trainings. Myatt-Brown to attend trainings in November. Long-term goals- acquire improved internet services. Cash Reserves; maintain. Train any board member on any updates, walk through or drive around to look at systems. Time of use rates- always thinking about. Social media- the need- don't know if wise to have until know how to manage 24/7.
- Power Plant- Study- waiting for engineers to send report; will continue to follow up. Tuck pointing- got started this week. Boyd Schoenthaler retired; AJ Bowman took his position. Jake Hayes was hired to fill Bowman's open position. Both Bowman and Hayes are doing well in the positions. Generator resistance testing done- requested of insurance co. This tested can be staggered; will have Shermco do one day's worth once annually. The 3 which were tested were ok. Aqua tower tanks- been on list awhile and determined their cost was way more than anticipated; approximately \$70,000- have to be custom fabricated. Plant employees fairly confident can build themselves; yet will be issue in determining which engines will be out of service when building the tanks and whether or not will affect capacity payments since will take our crew longer to do than hiring someone to come do for us. This is being moved to a 2023 goal. Long term goals- replace the parking lot, upgrade radiators, controls, mechanic operator needs (think staffed as should be now) and air-wash cabinets.
- Distribution- continue to work on Platt St- this project nearly complete-waiting for communications to be removed from poles. Curtis Roeder chose to move into Meter Tech/Mapping position; will complete the lineman apprenticeship before going to this

position full time. Matt Buck created a service manual; eventually will add engineer drawings. Conversion- taking place right now. Pave the parking lot- not complete as budget didn't allow. Rental flood lights being changed to LED as they fail. Spill station for oil and other hazardous chemical cleanups- now have materials. F550 dump truck on order- date unknown to receive. Digger Derrick truck on order for 2023 pushed back to early 2024. Buck been doing good work on moving where circuits are fed from as loads change.

Discussion on 2023 goals:

Krogman defined goals as the early steps of budgeting. The goals are as follows by department:

- Administration- scheduled a cost of rates study with WPPI; has been a couple years. Sale of the transmission system. Promote paperless billing and ACH payments- is a drawing for public power week; customer signs up for either receives extra entries. Desks and monitors- few desks to replace; have replaced a couple with stand-up versions. The current monitors are older and North Star not as compatible space wise on the screens; some have been replaced yet need to update a few more. Long term goals- same; nothing new added.
- Power Plant- moved plant 2 study over from 2022- will need to finish and make a decision what to do with it. Tuck point remainder of the building; east and south. Complete 3(?) generator units (day-worth) resistance testing. Water softener not functioning as it should; noticing some hard water deposits in some of the engines. Bowman wants this to be a priority and has started inquiring about costs to fix vs replace. Tech from Fairbanks here for about a week; fine-tuned an engine, went over maintenance and repair on 2 of newest engines; Bowman reported are now running better than he's heard them run; visit well worth it- tech very knowledgeable and would like to schedule another training next year. Bowman intends to gets some pumps rebuilt for spares with our units being old and parts can be difficult to find.

Herring questioned if the Fairbanks tech had any input as to any other critical spares due to the age of our equipment. Krogman responded there was some spare pumps we did have that were replaced as were quite worn so Bowman advised we just have ours rebuilt as spares. Bowman has a detailed list of specifics if Board has questions added Krogman. Herring then commented at the hospital they have a priority 0 list for replacements; suggested doing something similar. Krogman responded he asked Bowman to draft a list of items he'd like and then prioritize them. Herring suggested a 3-year funnel. Krogman commented at some point will be a large ticket item; the controls will need to be updated. The plant is very manual which takes a special operator to run some things. Automation is better for the younger guys or those without much practice. We do have a large wish list and will pick away the important things first. Aqua tower tanks- either hire someone to fabricate or will do ourselves. Plan for higher fuel and natural gas prices- will see an increase in the budget. Herring questioned if Krogman had looked at buying natural gas off the market. MMEU has a contract with Black Hills who gives us a discounted rate for being a large quantity user per Krogman. Furthermore, our rate is set one month at a time which is sent to WPPI who then determines whether or not we need to run. Long-term goals- Similar to years' past year, and also plan to install a mini-split to the Power Plant office.

- Distribution- Will update the Arc Flash study which is required every so many years or make a change. With MMEU switching to 69 kV, Shermco has already started on the process as part of the conversion, yet will budget more time and have them update our system models. Batteries at the substations are older than should've been and had some fail at the power plant. The ones at the I.S. substation need to be replaced also. Batteries have been ordered, yet we are renting a back-up battery bank from Shermco due to lead time on those ordered. These batteries keep all the relays and breakers operating when don't have power or when on normal basis. Continue updating sections of the distribution system. Rolling Acres Subdivision has old underground cable with some failures; if get caught up, good chance next project will be to update before all fails. Will continue to update the service manual as needed. Replace the 2006 utility tech truck possibly with an electric van (EV); on today's agenda. Pave the parking lot- currently seal-coated. If decide to do a piece at a time will need to plan for the entire project so don't have problems such as slope later. Roof- some sections have been replaced; have one section yet that leaks that needs replaced. Continuing to change out flood lights; replace with LED. Continue to train apprentices and hope to move them to journeyman status. Long-term goals- Industrial Vac Trailer/Hydro Vac, skid loader and chipper getting up there in age; looking to replace next 3-5 years. Conversion- a few 4 kV circuits left; downtown. Normal maintenance and to continue balancing our load.

Old Business: None to discuss

New Business:

A. Discussion and Possible Motion on Inflationary Wage Adjustment

During contract negotiations this came up so Krogman began networking with other utilities around the state; found very common to grant to all employees to keep up with inflation. Eltrich questioned/sought clarification that the increase amount with the contract was 3%; Herring clarified that amount on January 1. Six percent was the common amount for the inflationary raises per Krogman. Herring questioned if this raise would be in consideration with negotiations or completely separate. Krogman expressed he considers this inflationary raise as above and beyond negotiations. Andresen questioned if this would be for everyone or just the union employees. Krogman replied for everyone. Eltrich commented the 3% received in January along with a 3% for inflation now would get the employees to the 6%.

On motion of Herring, second of Gehl, all ayes; all MMEU employees to receive a 3% raise beginning with payroll commencing on September 22, 2022.

B. Discussion and Possible Motion in Regards to Hiring another Line worker

With the departure of an employee, MMEU advertised for an apprentice with experience or a journeyman lineman. Krogman reported we've interviewed some apprentices and been surprised with the experience had by them; yet not as much as sought. One journeyman has applied that we've not interviewed yet; based on his application looks like could be a good fit; mentioned to Kahler. Krogman commented that in the past when we've hired one, in hindsight wish could have hired two. Has been discussion it might be worth hiring another

apprentice; wouldn't overstaff us and raises potential for full staff of experienced workers. Eltrich commented in his 7 years on the board he recalls the struggle to find/hire qualified individuals so with the opportunity to hire, he expressed he'd hesitate to tell Krogman no. Krogman sought board approval to add two-line workers. We've been fortunate to have the retirees; yet don't want to lean on them too much and can't expect to have them long term. If the work load continues as has been having another worker won't be too many. Herring commented the extra lineman would help with on call issues; Krogman confirmed his agreement.

On motion of Andresen, second of Herring; all ayes, to give Krogman the authority to hire for two-line worker positions, one already hired plus an additional one, if sees fit.

### C. Discussion and Possible Motion on Purchasing a Utility Tech Van

Krogman reported we used to have a meter that did all of our testing; obligated to test a percentage of our meters every so many years. Our meters are new so could wait and test all at once or could start a rotation and test a percentage each year; our plan is the latter. We have a portable test bench intended for mounting in a van; most utilities utilize a van for the set up with tools and equipment per Krogman. Currently we are using an old pickup. Krogman visited Brad Deery Ford to price vans; not much knowledge about the new e-van (EV). They did offer information about a gas transit van; yet will not take orders past September 22, 2022, are other gas vans on the market. In researching, Dyersville Ford has 3 EV's on the lot; looked at in person and missing some features we'd like to have especially the high roof. In talking with WPPI, recommended elevated high roof; only \$2000-3000 more for high depending on the length. Dyersville Ford has a demo van with many options sought minus the high roof for \$58,000. Can order an EV, 2023 model, with our specks for \$64,000-65,000. For a gas van looking at \$55,000; can go with a ½ ton, 4-wheel drive, more engine options. Lastly Krogman reported he found an EV in Minnesota with the high roof with nearly all the options we are seeking in stock for MSRP \$57,240. The only negatives with the EV- are new so not much knowledge, battery range is approximately 116 miles. For the utility's day to day use we will never go this many miles; will charge at night, used in town to test meters. The battery has an 8 year/ 100,000-mile warranty. Krogman commented the Ford E transit vans are the most popular and are shutting down orders since can't fulfill existing orders. Discussion was held. To outfit the vans per WPPI is approximately \$13,000-15,000 depending on the roof added Krogman. Herring and Eltrich simultaneously asked what the EV comes with. Krogman replied it comes with a 40 amp plug so would need to put in a charger. Gehl questioned grants. Krogman stated he believes WPPI offers grants for chargers; did get one for the public charger and would need to look back over the details. Eltrich sought clarification as follows- the EV in Minnesota has most of the options sought at \$57,XXX; gas van would have to order by tomorrow is \$55,000 (could build a gas van for less than this; yet have to still do by tomorrow or find one on the market per Krogman) Andresen commented that she spoke with Matt Buck briefly and he would like to get something so can get the testing program going. Eltrich added have Roeder in the position and should get him the tools necessary to do his job effectively. Herring questioned how many miles a year would go on the van. Very low miles; higher hours responded Krogman. More discussion held. Motion by Herring, seconded by Gehl; all ayes for Krogman to purchase a van not to exceed \$60,000.

Krogman explained a couple items, unexpected or higher than normal, on the claim list. Motion by Andresen, seconded by Herring; all ayes, to approve the claims as presented.

Budget Discussions- Krogman reported revenues is at 6.2 million about 7% over budget; driven by purchase power costs. Expenditures are at 6.3 million a bit over budget; due to purchase power, transformers, natural gas, materials. In the State of Iowa, it is required for budget to be amended when expenditures go over. Looking to amend the 2022 budget to reflect some of the increased costs, including the van; will need to hold a public hearing before sending to the State.

#### Manager's Report:

Leesa Budde, accounting, reported the proposed 2023 budget and proposed 2022 amended budget will be presented at the next board meeting. These will just be for review with the public hearing scheduled for November.

Krogman, general manager, reported the conversion project to begin today is pushed back til tomorrow due to small issue on our end; small leak in a bushing of a transformer at substation. ITC should now be energizing the north section of our line to 69 kV. The plan tonight is to energize our power plant transformers to 69 kV and let them sit overnight with no load. Tomorrow at 6 pm we will then switch the town over to 69 kV. Eltrich questioned if same potential for an outage will now be tomorrow at 6 pm. Krogman replied yes and if happens shouldn't be past 630.

#### Board Members' Reports- None

Andresen questioned if the outage potential was in the newspaper. Krogman replied yes, in a color advertisement done and paid for by WPPI. Additionally, it was in a flyer in the bill and on our website. Gehl questioned notice to major customers. Tom Westhoff reached out through email and if no response he went around town the last two days to knock on doors; stopped at gas stations, restaurants, and small businesses. At lunchtime today, Krogman sent an email out to the large power customers regarding the day delay for conversion. There will also be a press release on the radio about the change.

Motion by Herring, second by Andresen to enter closed session per Iowa code chapter 20.17 section 3 for union negotiations at 5:34 pm; all ayes.

Returned to open public meeting at 6:48 p.m.

Motion by Herring; seconded by Gehl to adjourn the meeting at 6:49 p.m.