

**Barnesville City Council**  
Special Meeting  
December 11, 2002

Mayor Gene Prim called this Special Meeting of the Barnesville City Council to order at 6:00 p.m. with members Chad Hagen, Roger Cooper, Larry Davis Jr., Charles Martinson, Kim Simonsen and Jerry Ames present. Also present were City Administrator Ray Miller, Finance Director Brian Jacobson, EDA Director Karen Lauer, Department Heads, General Manager Jerry Dow, Minutes Recorder Angie Ernst, and Pam Aakre from the Record Review. There were no absences.

The Cemetery Board was first on the agenda. Linda Rice presented the Council with a history of the Cemetery Board and a request for funds. Mayor Prim does not see the cemetery as a City responsibility. The Cemetery is not within city limits. The Cemetery Board stated that because it has been commonly thought that the City is responsible for the Cemetery, many of the lots at the cemetery were purchased at City Hall and checks were made to the City for the lots. The Cemetery Board would like the City to help pay for the mowing of the Cemetery.

**12-11-02-01** Motion by Mr. Martinson and second by Mr. Simonsen to donate \$1,500.00 per year for five years for mowing expenses and up to \$5,000.00 per year for five years in matching funds in conjunction with a funds matching program through the Cemetery Association. Carried.

Funds will pass through the EDA due to the City Cemetery not being within City limits.

The Park Board requested to encumber funds for two projects that will be completed in 2003. These funds were from unspent funds of the Park Board line item of 2002. One item is for the sewer hook-ups in Wagner Park (\$6000.00), the second is funds toward the construction of a new warming house (\$3,500.00). The Park Board would like to instead increase the 2003 Park Board line from \$20,000.00 to \$29,500.00, using a carry over to fund the increase. This increase was advised by Mr. Jacobson. Mr. Jacobson will adjust the 2003 budget accordingly.

Mr. Miller led a discussion dealing with the City's accounting software. The current software is not user friendly and does not fit our City's needs adequately. The City is currently using three different types of software. A PACE program is being used for accounts payable and receivable and payroll. This program takes numerous unnecessary hours to use and is not compatible with other software the City uses. City employees have not received adequate training on use of this program since its purchase. Mr. Miller estimated the cost of a new program including training would cost approximately \$25,000.00. Mr. Miller stated that \$21,000.00 could be taken from the utility departments to help with the purchase of a new program. Mr. Jacobson stated that there are enough funds available in the current budget to purchase new software without increasing the 2003 budget. Mr. Jacobson feels that the City needs to research and find the best available software for their needs before making a purchase.

Mr. Simonsen stated that our city is unique in that it has its own telephone, electric, and cable systems and must bill for all three. New software would have to be compatible for all areas of use. Mr. Simonsen pointed out that the current software was purchased only three years ago and there has not been adequate training for staff on that software. New software would also take training time and would have a learning curve. Simonsen stated that if a new program would increase efficiency, he would support the purchase of the new program.

The consensus of the Council was that the City needs to do research into different types of software and compare the cost of new software to the cost of training on the current PACE software.

**12-11-02-02** Motion by Mr. Ames and second by Mr. Martinson to approve the second reading of the following ordinance. (5 yea, 1 nay-Simonsen) Carried.

**ORDINANCE 2002-14**

**AN ORDINANCE DELETING ORDINANCE, 1983-2, 1994-2, 1996-1,1999-5, 2001-2, 2002-3, 2002-10 AN ORDINANCE TO COMBINE ALL EXISTING ORDINANCES RELATING TO ELECTRIC SERVICES AND REVISE RATES LISTED AS RATE SCHEDULE 1 FOR RESIDENTIAL AND RATE SCHEDULE 2 FOR COMMERCIAL.**

The City Council of the City of Barnesville does hereby ordain as follows:

WHEREAS, the City Council did previously enact the above listed Ordinances; and

WHEREAS, the Telephone/Electric/Cable TV (T.E.C.) Advisory Board for the City has recommended that the above listed Ordinances be combined and replaced;

NOW, THEREFORE, Ordinance No. **1983-2, 1994-2, 1996-1, 1999-5, 2001-2, 2002-3, 2002-10** hereby replaced as follows

**MUNICIPAL AND PUBLIC UTILITIES -  
RULES AND REGULATIONS, RATES,  
CHARGES AND COLLECTIONS**

**RULES AND REGULATIONS RELATING TO ELECTRIC SERVICE.**

Section 1. Code Requirement.

All wiring, connections and appurtenances shall be installed and performed strictly in accordance with the National Electrical Code. Failure to install or maintain the same in accordance therewith or failure to have or permit required inspections shall, upon discovery by the City, be an additional ground for termination of electrical service to any consumer.

Section 2. Services.

New or changed service installations shall be made at the expense of the consumer, placed underground where designated by the City, and the meter location shall also be designated by the City. Overhead service installations may be permitted by the City

A temporarily during new construction;

B temporarily during an emergency to prevent danger to persons or property;

- C for a period of not more than seven months when soil conditions make excavation for underground service impractical; or
- D where to require underground service, the consumer has shown that such requirement is unduly burdensome.

Section 3. Electrical Installations.

All electrical installations shall comply with the following, where applicable:

- A. Motors of 20 HP or more must have line compensators on same. Provided, however, that the City may, at its option, make an exception if the total connected motor load required is smaller than the consumer connected load, and the motor starting current is less than the current corresponding to the consumer's total connected load.
- B. Any establishment having a total motor load of 125 HP or more is required to have 440 volts for its motor load.
- C. All motor installations of less than 5 HP shall be supplied with 240 volt single phase energy except: (1) motors of 1/2 HP or smaller may be 120 volt; or (2) three phase motors of 3 HP or more may be served from existing secondary power circuits where only service wires and meters are required.
- D. The City shall make an installation charge for extraordinary expenses required by a consumer.

Section 4. Replacing or Converting to Underground.

- A. Converting to Underground. The City may, at its option and at its expense, convert any present service where no change is otherwise required by the consumer, from overhead to underground. Where this is done, the City shall only cover and refill the trench and other ditching maintenance or repair, and all subsequent changing and repairing of the service shall be the obligation of the consumer.
- B. Replacing. Nothing herein shall prevent the City from replacing an overhead service with the same type.
- C. Meters and Placement Service. Placement of services and meters shall be determined by the City.

Section 5 Installation of Electric By-Pass Switches

A. RESIDENTIAL:

1. New Housing

All metered electric services will be equipped with an ELECTRIC BY-PASS SWITCH.

2. Existing Housing  
When the existing metered electric service is upgraded or replaced an ELECRCIC BY-PASS SWITCH will be installed.

B. INDUSTRIAL/COMMERICAL:

1. New Buildings  
All metered electric services will be equipped with an ELECRCIC BY-PASS SWITCH.
2. Existing Buildings  
When the existing metered electric service is upgraded or replaced an ELECRCIC BY-PASS SWITCH will be installed.

C. FAILURE TO COMPLY:

In the event a contractor, home owner or building owner fails to comply with this ordinance an electric meter will not be installed and the electric service cables will not be connected to the Barnesville Municipal Power distribution system.

Section 6. Reconnection

Reconnection services will occur only during regular business hours, 7:30 a.m. through 4:30 p.m., Monday through Friday, except for Holidays, providing:

- A. Current bill, penalties service order charge and reconnect fee of \$25.00 are paid in full; however, should the customer request reconnection outside of the above mentioned regular business hours or on holidays, the reconnect fee shall be \$75.00.
- B. Formal payback agreement is established within the city utilities which shall include the reconnect fee whether it is \$25.00 or 75.00.
1. Failure of the customer to adhere to the payment plan as established by the Barnesville Utilities shall result in immediate disconnection of service.

Section 7 Electric Heating System Regulations

A. VIOLATION A MISDEMEANOR.

Every person violates a section, subdivision, paragraph or provision of this Chapter when he/she performs an act thereby prohibited or declared unlawful, or fails to act when such failure is thereby prohibited or declared unlawful, and upon conviction thereof, shall be punished as for a misdemeanor except as otherwise stated in specific provisions hereof.

Section 8 Electric Rate Schedules

A. RATE SCHEDULE #1:

GENERAL SINGLE PHASE service Residential: (RL1 & AR1)

Base Charge \$11.00

Energy Charge \$.055 per kwh

\$.060 per kwh (effective all billing after January 1, 2003)

\$.0625 per kwh (effective all billing after January 1, 2005)

Available to all residential customers.

B. RATE SCHEDULE #2:

GENERAL SINGLE PHASE service Commercial: (RC1 & DI1)

Base Charge \$12.00

Energy Charge \$.062 per kwh

\$.067 per kwh (effective all billing after January 1, 2003)

.0695 per kwh (effective all billing after January 1, 2005)

Available to commercial customers for single phase service

C. RATE SCHEDULE #3

GENERAL THREE PHASE SERVICE: (GS6 & DI9)

Base Charge \$16.00

Energy Charge all kwh \$.070/kwh

Demand Charge

0-35 kw no charge

over 35 kw \$8.00/kw

Available to all customers for three phase service only when kwh of energy used is less than 10,000 kwh during any billing period. Available as an alternate to Rate Schedule #4.

D. RATE SCHEDULE #4:

GENERAL THREE PHASE SERVICE: (GS1)

Base Charge \$15.00

Energy Charge \$.040/kwh

Demand Charge \$7.00/kw

Available to all customers for three phase service, with less than 15 kw demand measured during any 15 minute interval. This rate will also be available to customers who chose to purchase and install individual demand controllers to limit their demand measured to 15 kw or less during any 15 minute interval, even

if these customers have already been placed in the large power rate group. Available as an alternate to Rate Schedule #3.

E. RATE SCHEDULE #5

LARGE POWER THREE PHASE SERVICE (LP1 & DI1)

Base Charge	\$20.00
Demand Charge	
First 50 kw	\$7.00/kw
Excess kw	\$5.20/kw
Energy Charge	
All kwh	\$.039/kw

Available to all customers for three phase service. Billing demand to be the maximum measured during any 15 minute interval during the billing period.

F. RATE SCHEDULE #6

SECURITY LIGHTS: (YL1)

Charge per light	\$12.25 per month
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Available to all customers for un-metered lights, 200 watts or less, owned, installed and maintained by the customer.

G. DEFINITION OF TERMS:

1. Residential Customers: any electric service which includes the primary residence of any person or people.
2. Commercial Customers: any electric service which does not include the primary RESIDENCE of any person or people.

H. RULES FOR CHOICE OF OPTIONAL RATES

1. Any of the alternate rates available to the customer may be selected. The customer shall have 90 days from the effective date of this ordinance to select the rate he/she wishes to use. Upon selection of a rate alternate, the customer shall be required to use that option for one year.

Section 9 Electric Rate Incentives

A Dual Fuel Services

Dual Fuel Service Rate:	\$.026 per kwh
	\$.031 per kwh effective January 1, 2003
	\$.0335 per kwh effective January 1, 2005

This rate is available to all customers with a dual fuel heating system controlled by the city's load management system. To qualify:

1. A heating system must use electricity as its primary source of heat; and
2. The secondary source of heat must be fossil fuel, thermostatically controlled and capable of heating the structure to 68 degrees and maintaining that temperature; and
3. The dual fuel load shall be metered separately; and
4. The customer must make a five year commitment to the program.

B. Dual Fuel Incentive for Existing Buildings

An incentive will be offered for all customers converting to a dual fuel system. All potential dual fuel commercial customers will require prior approval of the T.E.C. Advisory Board or City Council.

This incentive will be calculated using the following formula:

number of gallons of fuel used during the previous heating season multiplied by BTUs per gallon (per fuel chart) then multiply by furnace efficiency percentage then divided by 3412 then multiply by dual fuel rate then multiply by 0.39 = Incentive to install dual fuel

Example 1

Fuel oil: \_\_\_\_\_ gallons x 137,520 x .75 divided by 3412 x appropriate dual fuel rate x .039 = this amount is the incentive.

Example 2

Propane: \_\_\_\_\_ gallons x 91,600 x .75 divided by 3412 x appropriate dual fuel rate x .039 = this amount is the incentive

An additional \$100.00 incentive will be paid to the contractor selling and promoting, the dual fuel system.

Section 9 continued

C. Dual Fuel Incentive for New Construction

A \$200.00 one-time payment will be made to the general contractor.

D. Financing for Dual Fuel Installations

All new approved dual fuel heating installations are eligible for a 5 year, 6% annual interest loan of up to \$2,000.00. This loan will be paid back in equal

monthly installments on the customer's utility bill. Loans for commercial customers will require prior approval by the T.E.C. Advisory Board or the City Council.

E. Off Peak Services

Off Peak Service Rate:       \$.026 per kwh  
   \$.031 per kwh effective January 1, 2003  
   \$.0335 per kwh effective January 1, 2005

This rate is available for electric thermal storage (ETS) space heaters, under concrete slab electric heating systems and electric heated liquid filled under concrete slab heating systems. Off Peak Services must be metered separately and controlled by the city's load management system.

F. Water Heater Incentive Program

All customers shall be eligible for a rebate of \$2.00 per gallon for the installation of a new electric water heater with a storage capacity of at least 50 gallons. This rebate increases to \$3.00 per gallon for new water heaters with a minimum storage capacity of 80 gallons. Water heaters must be controlled by the city's load management. The rebate shall be credited on the customer's utility bill as soon as the following are provided:

1. Proof of purchase and installation of a qualifying water heater; and
2. Verification by electric utility personnel that the load controls have been installed and properly wired.

This incentive is limited to one rebate per address during any 5-year period.

A budget review was the next topic of discussion. Mayor Prim would like the discretionary fund for 2003 to be changed to \$11,500.00. Mr. Jacobson will make this change and present the final budget at a special meeting December 18, 2002 at 7:00 a.m.

Mayor Prim adjourned this meeting at 7:10 p.m.

Submitted by:

Angela Ernst  
Minutes Recorder

Attest:

Eugene Prim  
Mayor