

**Barnesville City Council**  
**Regular Meeting**  
**October 8, 2018**

Mayor Prim called this regular meeting to order at 7:00 p.m. Members present were Council members Don Goedtke, David Brown, Scott Bauer, Tonya Stokka and Brad Field. Absent was Council member Betty Strom. Others in attendance were City Administrator Mike Rietz, Michael Sly with Ohnstad Twitchell, City Clerk Jeri Reep, TEC Manager Guy Swenson, EDA Director Karen Lauer, Police Chief Dean Ernst, Finance Director Laurie Schell, Ambulance Manager Scott Nelson, Scott Kolbinger with KLJ Engineering, Shane Raw, Mark and Paula Thimjon, Crystal Dickey, Nicholas Aadland, and Michael Stein with the Record Review.

Mayor Prim asked if there were any additions or corrections to the agenda. City Administrator Mike Rietz stated the only additions was the resignation of Council member Strom, authorization to advertise for Ward 1 council member, and to appoint an Acting Mayor.

**10-08-18-01** Motion by Mrs. Stokka and second by Mr. Goedtke to approve the agenda as presented, with the following additions: to approve the resignation of Council member Strom, authorization to advertise for Ward 1 council member, and to appoint an Acting Mayor. Motion carried.

Mayor Prim stated the next item on the agenda was the consent agenda.

**10-08-18-02** Motion to approve the consent agenda as presented. Motion carried. The following items were on the consent agenda:

1. Approval of the minutes of the regular meeting held on September 10, 2018.
2. Approval of the minutes of the special meeting held on September 19, 2018.
3. Approval of department head reports.
4. Approval of check numbers 85560-85700 and EFT payments for a total of \$676,662.27.
5. Approval of 3<sup>rd</sup> quarter transfers.
6. Approval to accept the resignation of Liquor Store Clerk Lindsay Johnson
7. Approval to accept the resignation of Liquor Store Clerk Melissa Vasfaret.
8. Approval to hire Karen Batton, Chanda Christianson, and Kasondra Miller as Liquor Store Clerks at \$9.86 per hour.
9. Approval not to waive the statutory liability limits with the League of MN Cities.
10. Approval of the final pay request from Riley Brothers for the Del Acres Gilbertson 2<sup>nd</sup> Addition in the amount of \$157,369.55.
11. Approval to accept the resignation of Ward 1 Council Member Betty Strom.

Mayor Prim stated the next item on the agenda was the board and commission reports. Council members reported on the boards and commissions they serve on.

Mayor Prim stated the next item on the agenda was the public forum. Mayor Prim asked if there were any citizens present to be heard. There were none.

Mayor Prim stated the next item on the agenda was the revocation of the Conditional Use Permit for a moved house at 508 6<sup>th</sup> Street NW.

Assistant City Attorney Michael Sly informed council members that council action was needed if council wishes to revoke the CUP at 508 6<sup>th</sup> Street NW.

Mr. Nicholas Aadland, owner of the property, informed council members that a local contractor is interested in purchasing this property, and make the required improvements.

**10-08-18-03** Motion by Mr. Field and second by Mr. Brown to revoke the CUP at 508 6<sup>th</sup> Street NW. Mrs. Crystal Dickey questioned why they were not offered to obtain a new CUP. Motion carried.

Mayor Prim stated the next item on the agenda was the Geotech report for Cell #2 at the Wastewater lagoons.

City Administrator Mike Rietz informed council members that the report from Braun Intertec regarding the sludge and the liner in Pond #2 has been received. The clay liner is not suitable for reuse as liner material under current standards.

Mr. Scott Kolbinger with KLJ Engineering stated that the center cell was built in 1979. The recommendation is to use the synthetic liner to put it back in service. The other option is to decommission the pond. The MPCA will need to get their preliminary approval of the options prior to moving forward with the options.

**10-08-18-04** Motion by Mr. Field and second by Mrs. Stokka to approve the Geotechnical Report from Braun Intertec and direct staff and KLJ to meet with the MPCA to present the report. Motion carried.

Mayor Prim stated the next item on the agenda was the agreement with Ed Gilbertson on 13<sup>th</sup> Street.

City Administrator Mike Rietz informed council members that a payment amount has been negotiated with Ed Gilbertson to acquire the strip of land between 13<sup>th</sup> Street and the East City Limits in order to clear up the longstanding issues regarding the location of the road. There is a small strip of land of about 1.5 acres between 13<sup>th</sup> Street and the eastern city limits that is owned by Mr. Gilbertson. Clearing up this land issue will allow the city to move forward toward annexing the road and taking over from Humboldt Township. Personnel and Finance Portfolio committee recommend paying Mr. Gilbertson \$20,000.00 for the strip of land between 13<sup>th</sup> Street

and the East City limits, and \$1,000 for completion by Mr. Gilbertson of a field drive to the east of 13<sup>th</sup> Street, if the field drive is completed by November 1, 2019.

**10-08-18-05** Motion by Mr. Field and second by Mrs. Stokka to recommend paying Mr. Gilbertson \$20,000.00 for the strip of land between 13<sup>th</sup> Street and the East City limits, and \$1,000 for completion by Mr. Gilbertson of a filed drive to the east of 13<sup>th</sup> Street, if the field drive is completed by November 1, 2019. The City will absorb the survey costs on this property. Motion carried.

Mayor Prim stated the next item on the agenda was the renewal of 2-year Property tax Rebate for new construction.

EDA Director Karen Lauer informed council members that the Clay County Commissioners voted to continue offering the 2-year Property Tax Rebate for new construction in Clay County. Mrs. Lauer stated that this program is very important to maintaining Barnesville's competitiveness as a residential choice

**10-08-18-06** Motion by Mr. Bauer and second by Mr. Goedkte to approve the Resolution Authorizing a Property Tax Abatement Program. Upon a roll call vote, the following voted aye: Council members Stokka, Goedtke, Bauer, Brown and Field. Motion carried.

**CITY OF BARNESVILLE  
CLAY COUNTY, MINNESOTA  
RESOLUTION AUTHORIZING A PROPERTY TAX ABATEMENT PROGRAM  
RESOLUTION 10-08-18-06**

**Whereas**, Minnesota law (469.1813-469.1816) authorizes political subdivisions to grant property tax abatements for economic development purposes including:

- General economic development, such as increasing the property tax base or the number of jobs in the area;
- Providing access to services for residents such as housing; and

**Whereas**, the City of Barnesville received a request from Clay County to join with the County and participate in a *“Two-year Residential Property Tax Abatement Program”* (hereinafter referred to as the *“Program”*); and

**Whereas**, it is the desire of the City of Barnesville to participate in the *“Program”* by abating its property taxes as allowed by Minnesota law; and

**Whereas**, as a condition precedent for a City to receive an abatement of Clay County residential property taxes the participating City must approve its Authorizing Resolution no later than December 31, 2018.

**Now, Therefore Be It Resolved**, by the Barnesville City Council that The City of Barnesville does herein approve participation in the “*Program*” for new home construction and improvements to existing homes for the period commencing January 1, 2019 and expiring December 31, 2020.

**Be It Further Resolved**, by the Barnesville City Council that the approved “*Program*” be fully compliant with Minnesota law 469.1813-469.1816 and subject to the following:

- A residential structure will qualify for the abatement if it is classified as 1a, 1b, 2a, 4a, 4b, 4bb, or 4d under Minnesota Statutes 273.13.
- The assessed value attributable to land and new residential structures shall be abated from property taxes, for two taxes payable years, corresponding to the first two years of full value assessment after construction has been completed, provided that no part of the structure was in existence prior to January 1, 2019 and construction of the structure is commenced prior to December 31, 2020. Construction is deemed to have been commenced if a proper building permit has been issued.
- For property classified as class 1a, 1b, 2a, 4b or 4bb the abatement is limited to the assessed value of the land and the new construction. For a property classified as class 4a or 4d, the abatement is limited to the assessed value of the new construction.
- The abatement shall not apply to any special assessments that are levied against the property.

PASSED: by the City Council of the City of Barnesville this 8th day of October, 2018.

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Eugene Prim

Mayor

Attest:

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Michael Rietz  
City Administrator

- 1a Residential Homestead
- 1b Blind/Disabled Homestead
- 2a Homestead House, Garage and First Acres – Ag
- 4a Apartment 4+units
- 4b Residential non-homestead 1-3 units
  - Unclassified Manufactured Home
  - Ag non-homestead 2-3 units
- 4bb Residential non-homestead single unit
  - Ag non-homestead single unit
- 4d Qualifying low-income rental housing

Mayor Prim stated the next item on the agenda was to authorize seeking proposals for the Commercial Park Condo project plans and specifications.

EDA Director Karen Lauer informed council members that after the feasibility report for the Commercial Park Condo project was completed and accepted, the EDA received a price from KLJ for the development of plans and specs as well as engineering services to the final completion of this project. The EDA was concerned about the price and the impact it would have on the special assessments for this project, so they are recommending seeking prices from other engineering firms.

**10-08-18-07** Motion by Mr. Bauer and second by Mrs. Stokka to authorize staff to seek proposals for the Plans and Specs and other engineering services for the Commercial Park Condo project. Motion carried.

Mayor Prim stated the next item on the agenda was the discussion of the plan for use of the settlement in Del Acres Gilbertson 2<sup>nd</sup> Addition with KLJ Engineering.

City Administrator Mike Rietz informed council members that the recommendation from the EDA and the Personnel and Finance committee regarding the disposition of the settlement from KLJ Engineering, is to pay the existing 4 homes that built with a grinder pump \$1,500.00. Any additional homes that have to be built with a grinder pump would be reimbursed the actual costs, up to \$1,500.00. The remaining \$64,500.00 would be placed in the debt repayment fund to help pay the bond. The legal fees are approximately \$20,000.00.

**10-08-18-08** Motion by Mr. Field and second by Mr. Bauer to reimburse \$1,500.00 to the 4 homes that built with grinder pumps in the Del Peterson Gilbertson 2<sup>nd</sup> Addition, and any additional homes that have to be built with grinder pumps would be reimbursed for actual costs, up to \$1,500.00. Motion carried.

Mayor Prim stated the next item on the agenda was to authorize conducting an RFP process for Engineering services.

City Administrator Mike Rietz stated that the Personnel and Finance committee is recommending to begin the process of seeking proposals for Engineering services.

**10-08-18-09** Motion by Mrs. Stokka and second by Mr. Bauer to authorize staff to begin the process of seeking proposals for City Engineering services. Mr. Scott Kolbinger with KLJ Engineering stated that the present contract with KLJ Engineering was renewed in 2017. Motion carried.

Mayor Prim stated the next item on the agenda was the Resolution decertification of Parcels from TIF District 1-7.

City Administrator Mike Rietz stated that once a scattered site TIF District is established there is a maximum of 5 years during which eligible expenses can be certified. The five years have now passed. Ehlers recommends that for accurate reporting at both the County and State levels that those parcels remaining in the district now be decertified.

**10-08-18-10** Motion by Mrs. Stokka and second by Mr. Goedtke to approve the Resolution approving the elimination of parcels from TIF District 1-7. Upon a roll call vote, the following voted aye: Council member Stokka, Goedtke, Bauer, Brown and Field. The following were absent; none. Motion carried.

**CITY OF BARNESVILLE  
CLAY COUNTY, MINNESOTA  
RESOLUTION NO. 10-08-18-10**

**RESOLUTION APPROVING THE ELIMINATION OF PARCELS FROM  
TAX INCREMENT FINANCING DISTRICT NO. 1-7 WITHIN  
REDEVELOPMENT PROJECT NO. 1 OF THE CITY OF BARNESVILLE.**

**WHEREAS**, on June 11, 2012, the City of Barnesville (the "City") created its Tax Increment Financing District No. 1-1 (the "TIF District") within its Redevelopment Project No. 1 (the "Project") by approval of a tax increment financing plan (the "TIF Plan) for the TIF District; and

**WHEREAS**, the Barnesville Economic Development Authority (the "EDA") is the administrative authority for the TIF District; and

**WHEREAS**, the following properties, by property identification numbers, were included in the TIF District:

50.054.0010  
50.054.0030  
50.056.0010  
50.056.0020  
50.056.0040

**WHEREAS**, the City desires by this resolution to amend the TIF Plan to remove the above-described parcels from the TIF District, thereby reducing the size thereof; and

**WHEREAS**, the total current net tax capacity of the parcels to be eliminated from the TIF District equals or exceeds the original net tax capacity and, therefore this amendment to the TIF Plan is accomplished pursuant to *Minnesota Statutes, Section 469.175, Subdivision 4, clause (e)(2)(A)*.

**NOW THEREFORE, BE IT RESOLVED** by the City that the TIF Plan for the TIF District is hereby amended to remove the described parcels and the City Administrator is authorized and directed to notify the County Auditor thereof pursuant to *Minnesota Statutes, Section 469.175, Subdivision 4, clause (e)*.

**NOW THEREFORE, BE IT FURTHER RESOLVED** by the City as follows:

1. The tax increment financing plan (the "TIF Plan") for the TIF District is hereby modified to remove the Parcels from the TIF District, effective for taxes payable in 2019.
2. Upon approval of a similar resolution by the EDA, staff are authorized and directed to file a copy of this resolution with the County Auditor of Clay County along with instructions to adjust the records for the TIF District accordingly.

ADOPTED: October 8, 2018

ATTEST:

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Eugene Prim, Mayor  
Mayor

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Michael Rietz, City Administrator  
City Administrator

(Seal)

Mayor Prim stated the next item on the agenda was the Resolution opposing sale of strong beer, wine and spirits for Off-premises consumption at any location other than the Municipal Liquor Store.

City Administrator Mike Rietz that this Resolution is being recommended by the Liquor Store committee. Liquor Store Manger Randi Trowbridge has talked to our local grocery store and they don't oppose us taking this position because they are not interested in carrying alcohol.

**10-08-18-11** Motion by Mrs. Stokka and second by Mr. Brown to approve the Resolution opposing sale of strong beer, wine and spirits for Off-premises consumption at any location other than the Municipal Liquor Store. Upon a roll call vote, the following voted aye: Council member Stokka, Goedtke, Bauer, Brown and Field. The following were absent; none. Motion carried.

**CITY OF BARNESVILLE**

**COUNTY OF CLAY**

**STATE OF MINNESOTA**

**RESOLUTION 10-08-18-11**

**A RESOLUTION OPPOSING THE CONCEPT OF ALLOWING STRONG BEER,  
SPIRITS  
AND WINE TO BE SOLD FOR OFF-PREMISE CONSUMPTION IN OUTLETS OTHER  
THAN THE MUNICIPAL LIQUOR STORE**

**WHEREAS:** the sale of strong beer, spirits, and wine has long been regulated to preserve public health and minimize public safety concerns; and

**WHEREAS:** the sale of strong beer, spirits, and wine for off premise consumption, in any Barnesville business outlet, other than the Municipal Liquor Store, could cause problems in our youth and at rick adults of uncontrolled and excessive drinking and subsequent increases in police protection and public health costs; and to promote public safety and public health, cities have an interest in preventing youth from obtaining alcohol; and

**WHEREAS:** the sale of strong beer, spirits, and wine for off premise consumption, in any Barnesville business outlet, other than the Municipal Liquor Store would be damaging, injurious and otherwise detrimental to the financial status of the Barnesville Municipal Liquor Store and the City itself.



**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Barnesville, Minnesota, hereby express our opposition to the sale of strong beer, spirits and wine for off premise consumption in the city, other than at the Barnesville Municipal Liquor Store.

The foregoing resolution was offered by Council Member Stokka, who moved its adoption, an a second by Council Member Brown, was passed by the following vote: ayes: Council members Stokka, Goedtke, Bauer, Brown and Field. The following were absent: none. Motion carried.

Approved:

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Eugene Prim, Mayor

Attest:

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Jeri Reep, City Clerk

Mayor Prim stated the next item on the agenda was the 1<sup>st</sup> Reading of Ordinance 2018-05.

City Administrator Mike Rietz stated that we have had some interest from homebuyers that were looking to build attached garages that were large enough to accommodate large RVs. This Ordinance includes the recommended changes as recommended by the Planning Commission.

**10-08-18-12** Motion by Mr. Brown and second by Mr. Bauer to approve the 1<sup>st</sup> reading of Ordinance 2018-05. Motion carried.

**CITY OF BARNESVILLE  
ORDINANCE NO. 2018-05**

**AN ORDINANCE TO AMEND AND REENACT SECTION 1, SUBDIVISIONS 9 OF  
CHAPTER 7-09 OF THE MUNICIPAL CODE, ACCESSORY STRUCTURES IN  
RESIDENTIAL DISTRICTS.**

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Barnesville as follows:

SECTION 1. Chapter 7-09 of the Municipal Code of the City of Barnesville is hereby amended and reenacted to read as follows:

**SEC. 7-0901. ACCESSORY STRUCTURES IN RESIDENTIAL DISTRICTS.**

**Subd. 9. Height** Accessory buildings of 150 square feet or less may not exceed eleven (11) feet in height to the peak. No accessory building over 150 square feet shall be higher than the principal residence. The side walls may not exceed ten (10) feet as measured from the finished floor to the top plate. On properties of 30,000 square feet or larger, detached accessory buildings in the rear yard shall be allowed to have side walls up to 12 feet as measured from the finished floor to the top plate. Detached accessory buildings with side walls greater than ten feet shall have a required minimum setback of 15 feet from the rear and side property lines. Accessory buildings attached to the primary structure are allowed to have side walls up to 16 feet as measured from the finished floor to the top plate, provided that the top of the roof of the accessory space is not higher than the top of the roof of the principal structure.

PASSED AND ADOPTED by the Barnesville City Council this 13<sup>th</sup> day of November, 2018.

APPROVED:

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Eugene Prim  
Mayor

ATTEST:

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Jeri Reep  
City Clerk

First Reading:       October 8, 2018  
Second Reading:     November 12, 2018  
Adopted:             November 12, 2018  
Published:            November 19, 2018

Mayor Prim stated the next item on the agenda was the 1<sup>st</sup> reading of Ordinance 2018-08 regarding Building Permit fees.

City Administrator Mike Rietz stated that this Ordinance would be increasing the building permit fees to 90% of the 1994 fee schedule as recommended by the Personnel and Finance committee.

**10-08-18-13** Motion by Mr. Field and second by Mr. Goedtke to approve the 1<sup>st</sup> reading of Ordinance 2018-08. Motion carried.

**CITY OF BARNESVILLE  
ORDINANCE NO. 2018-08**

**AN ORDINANCE AMENDING CHAPTER 8-01, SEC. 3-0102 OF THE MUNICIPAL  
CODE REGARDING BUILDING PERMIT FEES.**

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Barnesville as follows:

CHAPTER 8-01, SECTION 3-0102 is amended to read as follows:

<b>TOTAL VALUATION</b>	<b>FEE</b>
\$1.00 to \$500.00	<del>\$17.00</del> <u>\$19.00</u>
\$501.00 to \$2,000.00	<del>\$17</del> <u>\$19</u> or the first \$500.00 plus <del>\$2.25</del> <u>\$2.50</u> for each additional \$100.00 or fraction thereof, to and including \$2,000.00;
\$2001.00 to \$25,000.00	<del>\$50.75</del> <u>\$56.50</u> for the first \$2,000 plus <del>\$10.00</del> <u>\$11.25</u> for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00;
\$25,00.001 to \$50,000.00	<del>\$280.75</del> <u>\$315.25</u> for the first \$25,000.00 plus <del>\$7.25</del> <u>\$8.10</u> for each additional \$1,000 or fraction thereof, to and including \$50,000;
\$50,001.00 to \$100,000.00	<del>\$462.00</del> <u>\$517.75</u> for the first \$50,000.00 plus <del>\$5.00</del> <u>\$5.65</u> for each additional \$1,000.00 or fraction thereof, to and including \$100,000.
\$100,001.00 to \$500,000.00	<del>\$712.00</del> <u>\$800.25</u> for the first \$100,000.00 plus <del>\$4.00</del> <u>\$4.50</u> for each additional \$1,000.00 or fraction thereof, to and including 500,000;

\$500,001.00 to \$1,000,000.00      ~~\$2,312.00~~ \$2,600.25 for the first \$500,000.00 plus ~~\$3.50~~  
\$3.85 for each additional \$1,000 or fraction thereof, to and  
including \$1,000,000.00;

\$1,000,001.00 and up      ~~\$4062.00~~ \$4,525.25 for the first \$1,000,000.00 plus ~~\$2.50~~  
\$2.75 for each additional \$1,000.00 or fraction thereof.

Other Inspections and Fees:

1. Plan Review Fee      ~~20%~~ 30% of the building permit fee.
2. Inspections outside of normal business hours. (Min. charge 2 hrs.)      ~~\$30.00~~ \$75.00/hr.
3. Reinspection fee      ~~\$30.00~~ \$75.00/hr.
4. Inspections for which no fee is specifically indicated (Min. charge one half hour)      ~~\$30.00~~ \$75.00/hr.
5. Additional plan review required by changes, additions or revisions to approved plans (Min. charge one half hour)      ~~\$30.00~~ \$75.00/hr.

MISCELLANEOUS FEES:

- |   |                |
|---|----------------|
| Mfg. Buildings, Houses or Structures moved in, Swimming Pools, Roofing, Windows, Furnaces and Signs | By value above |
| Moving Permits (to be obtained by Licensed Mover or Owner of the building or manufactured home)     | \$50.00        |
| Demolition Permits (Houses and detached buildings)  | \$50.00        |
| Gas Piping Permit   | \$25.00        |

PASSED AND ADOPTED by the Barnesville City council this 13th day of November, 2018.

Approved:

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Eugene Prim  
Mayor

Attest:

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Jeri Reep  
City Clerk

First Reading:       October 8, 2018  
Second Reading:     November 12, 2018  
Adopted:             November 12, 2018  
Published:            November 19, 2018

Mayor Prim stated the next item on the agenda was the 1<sup>st</sup> reading of Ordinance 2018-07, the 2019 Electric rate increase Ordinance.

City Administrator Mike Rietz stated that this Ordinance will be increasing the 2019 electric rates.

**10-08-18-14** Motion by Mr. Field and second by Mrs. Stokka to approve the 1<sup>st</sup> reading of Ordinance 2018-07. Motion carried.

**CITY OF BARNESVILLE  
ORDINANCE NO. 2018-07**

**AN ORDINANCE TO AMEND CHAPTER 2-01, SEC. 2-0111, SUBDIVISIONS 2 AND 3  
OF THE MUNICIPAL CODE REGARDING ELECTRIC RATE SCHEDULE**

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Barnesville as follows:

SECTION 1. Chapter 2-01, Section 2-0111 is amended to read as follows:

**SEC. 2-0111 ELECTRIC ~~HEATING SYSTEM REGULATIONS~~ RATE SCHEDULE**

**Subd. 2 Electric Rate Schedules:**

**A. RATE SCHEDULE #1:**

GENERAL SINGLE PHASE service Residential: (RL1 & AR1)(HP-2 & HP-4 Summer Rate)

	Current
Base Charge	<del>\$14.00</del> <u>\$15.00</u>
Energy Charge:	
June – August	<del>\$.1130</del> <u>\$0.120</u> per kwh
September – May	<del>\$.0960</del> <u>\$0.101</u> per kwh

Available to all residential customers.

**B. RATE SCHEDULE #2:**

GENERAL SINGLE PHASE service Commercial: (RC1 & DI1)

	Current
Base Charge	<del>\$17.00</del> <u>\$18.50</u>
Energy Charge:	
June – August	<del>\$.1120</del> <u>\$0.117</u> per kwh
September – May	<del>\$.0980</del> <u>\$0.102</u> per kwh

Available to commercial customers for single phase service

**C. RATE SCHEDULE #3**

GENERAL THREE PHASE SERVICE: (GS6 & DI9)

	Current
Base Charge	<del>\$23.50</del> <u>\$25.50</u>
Energy Charge:	
June – August	<del>\$.1120</del> <u>\$0.117</u> per kwh
September – May	<del>\$.0980</del> <u>\$0.102</u> per kwh

Available to all customers for three phase service with a calculated demand of 20 KW or less

**D. RATE SCHEDULE #4**

LARGE POWER THREE PHASE SERVICE (LP1 & DI1)

	Current
Base Charge	<del>\$38.00</del> <u>\$42.00</u>
Demand Charge	
All kw:	
June – August	<del>\$13.90</del> <u>\$15.10</u> per kw
September – May	<del>\$10.30</del> <u>\$11.40</u> per kw
Energy Charge	
All kwh	<del>\$.0530</del> <u>\$0.052</u> per kwh

Available to all customers for three phase service with a calculated demand over 20 KW. Billing demand to be the maximum measured during any 15-minute interval during the billing period.

**E. RATE SCHEDULE #~~6~~ #5**

SECURITY LIGHTS: (YL1)

Current

Charge per light \$12.25 per month

Available to all customers for un-metered lights, 200 watts or less, owned, installed and maintained by the City.

SECURITY FLOOD LIGHTS: (YL2)

Current

Charge per light \$24.50per month

Available to all commercial customers for un-metered lights, 200 watts or greater, owned, installed and maintained by the City.

**F. 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.
3. **Base Charge:** Applies to all services where a meter is required to measure energy or demand usage. The base charge does not apply to those meters installed where the only purpose is to measure energy utilized by dual fuel or off-peak heating sources.

**G. CHARGE TO DELIVER DISCONNECT NOTICES**

1. A charge of \$25.00 will be applied to utility accounts when in the process of collecting past due charges for electricity it is necessary to hand carry and post a disconnect notice at the customer premise.
2. This charge will be waived one time per customer account.
3. This charge does not apply to notices delivered by mail.

**Subd. 3 Electric Rate Incentives:**

**A Dual Fuel Services (OP-1 & OP-2) (HP-1 & HP3 Winter Rate)**

Current

Dual Fuel Service Rate:

June – August	<del>\$.1130</del> <u>\$0.120</u> per kwh
September - May	\$.0470 per kwh

This rate is available to all customers with a dual fuel heating system (Including Heat Pumps) 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. Metering may be subtractive or direct metered
4. The customer must make a five year commitment to the program.
5. Tampering with, bypassing or in any way rendering the electric heat control inoperative will result in the immediate and permanent loss of the dual fuel rate, and, at council discretion, may result in criminal



charges for theft of services.

6. Failure to fulfill the 5-year commitment will result in the immediate and permanent loss of the dual fuel rate.

**B. Dual Fuel Incentive for Existing Buildings**

An incentive will be offered for all customers converting to a dual fuel system.

A \$300.00 incentive will be paid to all customers that convert from an all-electric heated home to a qualified dual fuel heating system. (ref section 95,A.1 - 5).

A \$100.00 incentive will be paid to all customers that that convert from a fossil fuel heating system to a qualified dual fuel heating system. (ref section 95,A,1 - 5).

**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**

Current

Off Peak Service Rate:

June – August	<del>\$.1130</del> <u>\$0.120</u> per kwh
September - May	\$.0470 per kwh

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. Central Air-conditioners and

water heaters do not qualify for the off-peak rate, Ref paragraph F for water heater incentives and paragraph G for Central Air-conditioner incentives.

#### **F. Water Heater Incentive Program**

All electric water heaters are required to be connected to / and controlled by the city's load management system.

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. The rebate shall be credited on the customer's utility bill as soon as the following are provided. Demand water heaters without storage do not qualify for this rebate.

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.
3. Tampering with, bypassing or in any way rendering the water heater control inoperative will result in the immediate loss of the water heater rebate. The customer will be responsible for all costs associated with the replacement and reconnection of the load controller including the cost of the replacement controller, any administrative fees, and, at council discretion, may result in criminal charges for destruction of property.

This incentive is limited to one rebate per address during any 5-year period. : (Water heater incentive subject to budget availability).

#### **G. Central Air Conditioning Incentive Program**

A \$5.00 per month credit is available to all customers that allow their central air-conditioner to be controlled by the city's load management system. This credit is available for the months of June through August. Qualifications for this rebate are;

1. Customer must have a central air-conditioning system such as a ducted or hi-velocity system. Window units and ductless mini split systems are not eligible.

2. Air-source heat pumps and geothermal heat pumps qualify if they are controlled by the city's load management system and are not receiving the dual fuel rate.

**H. Distributed Generation Interconnection for Co-generation and Small Power Production.**

1. The Distributed Generation Workbook is part of this ordinance and requires that;
2. All "Qualifying Facilities" must comply with the Distributed Generation Workbook. The Distributed Generation Workbook is available at City Hall.
3. All "Qualifying Facilities" must maintain insurance and submit proof of insurance certificates to City Hall annually.
4. All "Qualifying Facilities" will be charged an Application Fee of \$50.00 for a small Qualifying Facility and a \$250.00 to \$1,500.00 Application Fee for a large Qualifying Facility based on interconnection type and load (kw) size as detailed in the Generation Interconnection Application Fees in Section 9, Page 10 of the Distributed Generation Workbook.
5. Any changes to the generation or interconnection of a Qualifying Facility must be submitted to City Hall in writing 60 days before the proposed changes are to take effect.

**I. Electric Trenching Rebate.**

1. This rebate is available to all home builders or contractors to help defray the costs trenching associated with the installation of the underground electric service drop for new homes.
2. One \$250.00 rebate will be paid out to the general contractor per new home constructed within the Barnesville Municipal Utility service area provided the following conditions are met:

- a. Contractor must submit an “Electric Trenching Rebate” invoice for \$250.00 to the City of Barnesville.
- b. Submission must include proof of closing, including the address of the home and name of home owner.
- c. Submission must be made to the City within 6 months of closing.

PASSED AND ADOPTED by the Barnesville City council this 13<sup>th</sup> day of November, 2018.

Approved:

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Eugene Prim  
Mayor

Attest:

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Jeri Reep  
City Clerk

First Reading:       October 8, 2018  
Second Reading:     November 12, 2018  
Adopted:             November 12, 2018  
Published:            November 19, 2018

Mayor Prim stated the next item on the agenda was to advertise for a Ward 1 council member, due to the resignation of Council member Betty Strom.

**10-08-18-15** Motion by Mr. Bauer and second by Mrs. Stokka to authorize staff to advertise for a council member for Ward 1. Motion carried.

Mayor Prim stated the next item on the agenda was to appoint an Acting-Mayor.

**10-08-18-16** Motion by Mr. Bauer and second by Mr. Goedtke to appoint Council member Brad Field as the Acting-Mayor. Motion carried.

Mayor Prim stated the next item on the agenda was to set a date for the November regular scheduled council meeting.

**10-08-18-17** Motion by Mr. Goedtke and second by Mr. Brown to set Tuesday, November 13, 2018 as the November City Council date. Motion carried.

Mayor Prim adjourned the meeting at 8:00 p.m.

Submitted by:

Attest:

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Jeri Reep  
City Clerk

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Eugene Prim  
Mayor