

A special meeting of the Truman City Council and Truman Public Utilities was held August 27, 2018 at 5:30 p.m. The meeting was called to order by Mayor Brownlee.

Present: Councilors Ebert, Hendricksen, Mosloski, Nickerson
Absent:

1. THE TRUMAN CITY COUNCIL FEELS THAT THE PUBLIC UTILITIES COMMISSION (PUC) PROVIDED FALSE INFORMATION AS TO HOW THE FUNDS FOR THE CAPITAL IMPROVEMENT PLAN WOULD BE USED.

The Truman city council asked the PUC for a list of repairs that are needed as well as a list of repairs that have been completed. Judi Davis from the PUC will work on compiling this list. The Truman city council made it clear that they are upset that they were told by the PUC that repairs were needed thus a rate increase was approved in 2016. Financial reports show a jump in PUC wages \$82,777.52 from 2016-2017. Davis stated this was due to employees being union as well as roles changing. Ebert provided a comparison in that what the PUC has done would be the same as the city council saying they would like to buy equipment for a department and then instead of buying equipment using the funds to increase wages. Mosloski addressed that the Truman citizens were told the rate increase would cover the needed repairs when in actuality the rate increase has been used for wages. Mosloski also questioned the PUC accounting practices and if the new monies generated by the rate increase are being put into a separate capital improvement fund. Davis stated that the PUC currently does not have itemized accounting therefor all monies goes into a general operating fund. City Clerk Monte Rohman stated that the PUC has immediate projects such as water tower repairs and filter replacements that need to be completed. He questioned the PUC on how they plan on paying for these repairs. Stating if the rate increase isn't being used for repairs how are the repairs going to be funded. Davis and the PUC commissioners did not have an answer as to how the repairs could be funded. Rohman also questioned the PUC if the downtown filter plant repairs would be covered by insurance. Davis will look into claims filed. Hendricksen pointed out that in 2017 the downtown filter plant was ready to go online and questioned why there are so many repairs needed now. Hendricksen stated that in years prior there was a lot of neglect at the PUC and the new employees are busy fixing old issues. The city council wanted to reiterate the fact that there has been a lack of communication from the PUC specifically in regards to wages, repairs and the intentions of the capital improvement funds. City Administrator Bethanie Ekstrom clarified that the city and the PUC are two separate entities. The city council under Minnesota statutes appoints the PUC commissioners to operate the PUC as its own entity. The question of union rates and whether or not the PUC can afford to have union employees was addressed. Ebert stated that the city council understands that the PUC needs to pay employees a competitive wage in order to maintain them. However wage increases were not part of the capital improvement plan. In the first year of the 10 year plan \$82,777.52 of repair monies have been used for wages and repairs are not being done due to a lack of funding. Ebert also addressed that Hendricksen whom is on both city council and PUC should have been aware of what was happening. Mosloski stated that the PUC cannot keep operating the way they have been operating. He questioned if it would be possible to eliminate the union in order to decrease wage expense for the PUC. Or if decreasing staff would be a possibility. Davis pointed out that a main reason for high utility rates is due to rates in peak times. The council questioned if the PUC has tried to educate citizens about load management and if load management could be mandated. Mosloski asked Davis if she could put together an estimate of numbers that load management would save citizens on their monthly bills. Mosloski also questioned why the PUC has been giving donations out when they are struggling financially. Davis stated that they have been giving donations out for years. No decisions were made.

10. ADJOURN

A motion was made by Mosloski, seconded by Nickerson to adjourn. All yeas - carried. Time: 6:53 p.m.

Bethanie Ekstrom, City Administrator/Clerk-Treasurer