



GRAND RAPIDS PUBLIC UTILITIES COMMISSION REGULAR WORK SESSION MEETING AGENDA

Tuesday, June 28, 2022

8:00 AM

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular Work Session Meeting of the Grand Rapids Public Utilities Commission will be held on Tuesday, June 28, 2022 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

CALL OF ROLL:

BUSINESS:

1. Consider a motion to approve \$153,379.17 of verified claims for May and June 2022.
2. Review two draft customer service policies
3. Review and discuss GRPUC Caring Fund at the GRACF.

ADJOURNMENT:

The next Regular Meeting of the Commission is scheduled for Wednesday, July 13, 2022 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Work Session is scheduled for Tuesday, July 26, 2022 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

Grand Rapids Public Utilities
Accounts Payable
May/June 2022
(Meeting Date: 6/28/2022)

Item 1.

NAME	AMOUNT	NAME	AMOUNT
Aramark	202.11	L&M	147.73
Badger State	3,300.00	Lake States Construction	13,432.00
Bemidji Steel Company	984.78	Locators & Supplies	380.95
Burggraf's/Ace	249.41	Loren Solberg Consulting	1,590.89
CB Technology	2,493.75	MN Department of Commerce	3,119.43
Central McGowan	610.00	MN Rural Water Association	300.00
City of Grand Rapids	1,161.84	Napa Auto Parts	16.99
Coles	310.71	Northeast Technical Services	13,726.59
Compass Minerals	3,866.73	Personnel Dynamics	1,202.80
Copperative Response Center	2,027.54	Pitney Bowes	237.98
Core & Main	9,392.72	Precision Company	882.72
CW Technology	5,792.19	PSI Engineering	1,015.80
Davis Oil	5,569.28	Public Utilities	4,256.34
Fastenal	445.48	Quality Flow	499.75
Ferguson	2,461.87	Rapids Welding	15.00
Figgins Truck & Trailer	5,459.35	RCB	28.55
Flow Measurement and Control	701.00	RMB Environmental Lab	546.00
Frontier Energy	4,431.58	Rob's Bobcat Service	9,660.63
Gopher State One Call	471.15	Sandstrom's	593.01
Grainger	5,701.16	Telcologix LLC	181.25
Graybar	152.91	TNT Construction	17,016.00
Hawkins	5,363.36	Treasure Bay	101.00
Hawkinson Sand & Gravel	216.74	United Rentals	7,500.00
InLighten	788.00	UPS	149.87
Innovative Office Solutions	255.94	USA Bluebook	226.19
Itasca County	2,050.67	Viking Electric	138.00
Jamar Service	2,125.07	Wesco	1,516.80
Johnson Controls	1,439.58	Xerox	171.58
Johnson, Killen & Seiler	5,515.40		
		Energy Efficiency Rebate:	
		Olander, Jackie	35.00
		Rebel, Brian	1,000.00
		Ryan, Jerry	150.00
			153,379.17



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: June 28, 2022

AGENDA ITEM: Consider a motion to approve \$153,379.17 of verified claims for May and June 2022.

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

See attached check registers: \$153,379.17

Computer check register \$153,379.17
Manual check register \$0
Total \$ 153,379.17

RECOMMENDATION:

Consider a motion to approve \$ 153,379.17 of verified claims for May and June 2022.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: June 28, 2022

AGENDA ITEM: Review two draft customer service policies

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

GRPU managers continue to draft policies for Commission review. Attached are two customer service related policies. The first one is a global policy for GRPU understanding of customer needs and interactions. This policy establishes a standard for GRPU interactions with customers.

The second draft policy is to clearly define the customer service program between the customer and GRPU for GRPU services.

Specific dollar amounts or percentages for rates/fees are intentionally not included in these policies because they are/will be included in the GRPU rates and fee policies.

When considering approval of these two draft policies, the Commission will also need to consider rescinding resolution #5-11-11-1 and Residential Customer Deposit Policy A.1. Both are attached for your information.

Upon feedback from the Commission on the draft policies, revised policies will be prepared for approval at the July 13 GRPU Commission meeting.

RECOMMENDATION:

Review and comment on two draft customer service policies.



COMMISSION POLICY

Customer Interests

Item 2.

Category: Governance	Subcategory: Delegation to Management	Policy Number: 1.4.040
--------------------------------	---	----------------------------------

1.0 PURPOSE

With this policy, the Commission communicates expectations for General Manager's understanding of customer needs and interaction with customers, or a customer representative, from and by Grand Rapids Public Utilities (GRPU) employees.

2.0 POLICY

The General Manager, in all GRPU interactions with customers, shall not intentionally allow situations, processes, actions, behaviors or attitudes that are unsafe, improper, inattentive, disrespectful or unresponsive to customer needs and requests.

The General Manager shall:

1. Keep the Commission and employees informed about customer current and emerging needs, expectations for and satisfaction with GRPU interactions and services.
2. Provide relevant information to customers about GRPU services, current and emerging issues, regulations, and policies or practices which impact customer utility services, using all appropriate media.
3. Provide customers with secure access to their personal or business account information and other information that will enable them to be informed customers of the services GRPU provides.
4. Comply with all applicable legal requirements for collecting, reviewing, transmitting, and storing customer information to protect it against improper access and use and unauthorized destruction.
5. Keep customers reasonably informed about planned and potential unplanned service outages, emergency preparedness, safe use practices, and service restoration status.

Tom Stanley
GRPUC President

Luke Francisco
GRPUC Secretary

POLICY HISTORY:

Adopted: _____

Revised:



COMMISSION POLICY

Item 2.

Customer Service Program

Category: Governance	Subcategory: Delegation to Management	Policy Number: 1.4.041
---------------------------------------	--	---

1.0 PURPOSE

This policy defines the Customer Service Program for reliable Grand Rapids Public Utilities (GRPU) electric, water, and wastewater services between the customer and GRPU beginning with the application for service and ending with disconnection and/or final payment of services.

2.0 DELEGATION

The Commission delegates to the General Manager the ability to change the details of processes below if determined to be a change in best practices for municipal utilities, accounting standards, federal law, and/or MN state statutes so long as such changes are still in accordance with this policy.

3.0 POLICY

The Customer Service Program is detailed in the following sections:

APPLICATION

There will be a written or computer-generated application for all GRPU customers. This application will include information from the customer which is necessary to establish an account with GRPU and may include some private customer data. The customer information will be kept private per MN state statutes unless allowed by MN law or the customer approves the release of this data. The application must be signed by the customer(s) on the account. This application is a legal binding agreement between the customer(s) and GRPU for utility services. The customer agrees to pay GRPU for services provided. The customer grants to GRPU the right and easement on the premises to determine utility usage and construct, operate, repair, maintain any and all GRPU meters, materials, equipment, and service connections/lines.

DEPOSIT

All customers shall be required to submit a deposit before the GRPU utility service(s) is/are supplied to the customer. The required deposit minimizes the GRPU exposure of bad debts and impact to all rate payers. In lieu of the deposit, a customer may provide documentation from their prior utility company which shows the customer was in good standing. A customer in good standing is defined as a customer who has paid their utility bill in full and on time for the prior 12 months. Existing GRPU customers who are establishing a new account or adding an additional account are also subject to the required deposit. Existing customers who have been disconnected by GRPU for non-payment shall be required to submit a deposit in addition to all amounts owed before service will be reconnected.

The required deposit amount shall be calculated either as a flat fee or based on prior months' usage of the same location or, if no data then, a similar use customer. If the required deposit amount

calculation is not a flat fee, then the calculation based on prior usage will need to reach a minimum deposit amount determined by best practices in the industry. The General Manager shall review the minimum required deposit amount.

FORM OF DEPOSIT

The deposit shall be in the form of cash or an irrevocable letter of credit. If an irrevocable letter of credit, the letter of credit shall be renewed at least 30 days prior to its expiration. Failure to renew a letter of credit will result in the letter of credit being drawn on as a cash deposit.

INTEREST ON DEPOSITS

Interest shall be paid on all deposits at the rate established by Minnesota Statutes, 325E.02(b). GRPU may, at its option, pay the interest at intervals it chooses, annually at minimum. Interest will be paid by a credit on the customer's account. If the customer requests discontinuation of utility services, the interest on the deposit will be applied to the customer's final bill.

RETURN OF DEPOSIT

Continued utility service(s) – any deposit received by GRPU shall be returned to the customer by applying the deposit to the customer's utility account, if the customer is in good-standing. A customer in good standing is defined as a customer who has paid their utility bill in full and on time for the prior 12 months.

Discontinued utility service(s) – any deposit received by GRPU shall be returned to the customer by applying the deposit to the customer's final bill. If the deposit exceeds the outstanding amount due, the balance will be returned to the customer. If the deposit is not sufficient to cover the amount due, the customer shall remain liable to GRPU for the balance and shall pay the balance due within 15 days of final bill notice from GRPU.

UTILITY BILLS

Utility bills based on flat fees and/or usage charges will be calculated, prepared, and sent to the customers on a monthly basis.

LATE PAYMENT CHARGE

Customer payments must be received by the due date each month to avoid a late payment charge. The late payment amount will be based on best practices and current industry standards as a percentage of the current month's charges or a flat minimum dollar amount.

DELINQUENT ACCOUNTS AND COLLECTION OF PAST DUE UTILITY BILLS

A delinquent, or past due, customer account is one in which the customer has not paid the current utility services charges/bill in full on time per the utility bill statement. If a customer has an outstanding balance for utility services, GRPU will use internal collection processes, external collection processes, services of a collection agency, and may request the City of Grand Rapids to specially assess the property for outstanding balances of utility bills.

DISCONNECTION OF UTILITY SERVICES

GRPU has the right to disconnect utility services to a customer for non-payment; broken special payment arrangements; safety concerns; tampering with meters; failure to provide access to GRPU owned equipment; unauthorized use of GRPU utility meters, equipment, or service lines; a condition determined to be hazardous; customer has not complied with the requirements for application of services; or alleged and proven theft of utility services.

GRPU will provide all legal notices to the customer of pending disconnection of utility services and communicate to residential customers their rights per MN laws.

If a customer’s services are disconnected for non-payment or broken special payment arrangements, the customer will be required to pay a reconnection fee plus a deposit and any unpaid balance on the customer’s current or prior accounts with GRPU before the utility services will be restored. GRPU will follow all MN state statutes regarding disconnection of utility services to a customer.

Tom Stanley
GRPUC President

Luke Francisco
GRPUC Secretary

POLICY HISTORY:

Adopted: _____

Revised:

RESOLUTION NO. 5-11-11-1

REQUIREMENT FOR DEPOSIT AND RECONNECTION
CHARGE FOR COMMERCIAL ACCOUNTS

WHEREAS, The Public Utilities Commission of the City of Grand Rapids, Minnesota, hereinafter called "Commission" has heretofore required deposits upon the opening of a commercial account and believes that it is in the best interest of all of its consumers that such requirement continue;

NOW THEREFORE BE IT RESOLVED by the Commission:

1. All commercial accounts are subject to this resolution.
2. Utilities service shall not be provided by the Commission to a commercial consumer until a deposit as set forth herein is made with the Commission. However, a commercial consumer whose deposit has been released prior to the adoption of this resolution need not make a deposit unless the utilities service is disconnected after the adoption of this resolution for failure to timely pay for the utility service.
3. A commercial consumer shall deposit with the Commission an amount equal to 2 times the estimated average monthly Public Utility bill. The estimation shall be based upon the purposes for which the utility service will be used and the size of the premises or upon the record of consumption for similar purposes and premises or both. Such deposit shall bear interest at the rate for such deposits as prescribed by the laws of the State of Minnesota.
4. After twenty-four months of on time payments, the amount required to be on deposit shall be reduced by fifty percent (50%) and if cash, the amount returned to the deposit owner and if surety bond or letter of credit, the deposit owner will be notified of the reduced requirement. The Commission, according to the terms and conditions of this Resolution shall retain the balance of the deposit amount.
5. Under the following circumstance, the commercial deposit requirement will be waived for sole owners or legal entities with an established good credit history or

with a deposit on file with the Commission and opening a new commercial account under the established ownership or entity.

- 6. Customers with an established good credit history or with a deposit on file, opening a commercial account using a different entity name will be required to make a deposit, unless the owners sign the service application indicating they are personally responsible for the account.
- 7. If the premises being served are transferred, the deposit, less any amounts that the Commission decides to withhold for payment of current or delinquent sums shall be returned to the depositor upon written request and the transferee shall make a new deposit.
- 8. A deposit may be by bond, letter of credit or cash.
- 9. Failure to make a deposit, cancellation by the consumer of a deposit before it is released by the Commission, or failure to timely pay for utility services shall result in a disconnection of service.
- 10. Reconnection of a disconnected service may be accomplished upon full payment of the delinquent account, payment for the cost of making the reconnection, and remaking of the deposit as set forth in paragraph 3 above.

Adopted by the Public Utilities Commission of the City of Grand Rapids, Minnesota, this 11th day of May, 2011.

This resolution replaces resolution number 05-11-93-2 and any other resolution inconsistent with the provisions of this resolution.

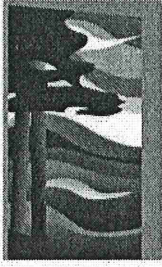


Stephen R. Welliver, President

ATTESTED TO:



Glen D. Hodgson, Secretary



GRAND RAPIDS
IT'S IN MINNESOTA'S NATURE

PUBLIC UTILITIES COMMISSION

500 SE FOURTH STREET
GRAND RAPIDS, MINNESOTA 55744
TELEPHONE (218) 326-7024
TDD (218) 326-7487 FAX (218) 326-7499

COMMISSION POLICY

Section: Administration	Category: Customer Policies
Policy Reference: A.1	Policy Title: Residential Customer Deposit Policy

PURPOSE:

With this policy, the Commission set forth deposits required of residential customers. This policy assists with ensuring collection of at least partial payment on delinquent accounts prior to being turned over to an outside agency for collection.

POLICY:

Effective October 1, 2017, Customer Service Representatives shall collect the deposits from residential customers in the following manner:

1. New Residential Customers

If a new customer applies for a residential account, a \$125 deposit shall be required to activate the account. The deposit may be waived if the new customer provides a letter of credit from their previous utility company showing no more than 2 late payment notices (over 7 days late) in the past 12 months. The letter is due prior to the date of the requested service.

2. Previous Residential Customers

If a customer who has a bad debt from a previously closed account with GRPU applies for a residential service, the past due balance of the previous account plus a \$125 deposit shall be required to activate the account.

3. Existing Residential Customers

- a. If an existing customer's service is disconnected for non-payment, the past due amount and the reconnection fee shall be required prior to the service being reconnected and a \$125 deposit shall be billed to the account.
- b. If an existing customer requests a transfer of service to another location, a \$125 deposit shall be required if the customer has had more than 2 late payment notices (over 7 days late) in the past 12 months.

4. Multiple Locations

If a customer has multiple location IDs (such as a duplex) a \$125 residential deposit shall be required for each location.

5. Refund of Deposit

The deposit shall be refunded to the customer after they have paid twelve (12) consecutive monthly bills in full by the due date. If the customer terminates service prior to the deposit being refunded, the deposit shall be applied to the customer's final bill. Any remaining balance shall be refunded to the customer.

6. Deposit Interest

The deposit shall generate monthly interest at the rate adopted by the Commission each year, but not less than the interest rate mandated by the laws of the State of Minnesota for such deposits.

POLICY HISTORY:

Adopted September 13, 2017



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: June 28, 2022

AGENDA ITEM: Review and discuss GRPUC Caring Fund at the GRACF.

PREPARED BY: Julie Kennedy, General Manager

BACKGROUND:

Susan Lynch, Executive Director of the Grand Rapids Area Community Foundation (GRACF), will attend the meeting to discuss possible options for utilizing our fund at the GRACF.

Attached is a memo from Susan with the fund background and current balance.

RECOMMENDATION:

Review and discuss GRPUC Caring Fund at the GRACF.



COMMUNITY
FOUNDATION

GRAND RAPIDS AREA

...joining charitable intentions with community needs

June 16, 2022

In 2011, Grand Rapids Public Utilities (GRPUC) created the Grand Rapids Public Utilities Community Caring Fund at the Grand Rapids Area Community Foundation (GRACF). It appears that contributions to the fund come from GRPUC customers who “round up” their payments to GRPUC.

The fund was initially created to:

- 1) Support crisis, basic needs funding for the working poor, using criteria and applications set up through GRACF as the Itasca County Sharing Fund. The Grand Rapids Area Community Foundation has managed the Itasca County Sharing Fund since its inception in 2009. The purpose of the Sharing Fund is to prevent a crisis situation from becoming chronic, by serving immediate, last resort, crisis needs such as emergency shelter, utilities, healthcare, transportation and work clothing. Applications are submitted by local non-profit agencies on behalf of their clients.
- 2) Support nonprofit entities that provide services within the geographic area that GRPUC serves.

For whatever reason, no grants have been distributed since 2012. Total grants that year = \$1657.09.

Donations continue to come in for a total of, since 2012 = \$12,998.98.

There is currently \$10,018.02 in the fund. (The difference between donation total and current fund balance is due to administrative and gift processing fees.)

This is a non-endowed fund, meaning GRPUC has access to the full fund balance at any time. The reason we are discussing it now is to determine how best to utilize this fund.

Respectfully,

Susan Lynch
Executive Director

350 NW 1st Avenue, Suite E
(218) 999-9100



Grand Rapids, Minnesota 55744
www.gracf.org