



GRAND RAPIDS PUBLIC UTILITIES COMMISSION SPECIAL MEETING AGENDA

Wednesday, October 30, 2024

4:00 PM

CALL TO ORDER: Pursuant to due notice and call thereof, a Special Joint Meeting of the Grand Rapids Public Utilities Commission and City Council will be held on Wednesday, October 30, 2024 at 4:00 PM 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.](#) Local Utility Preservation Resolution
- [2.](#) Franchise Fees Ordinance
- [3.](#) Legionella and Water Treatment Plant Renovation Project
- [4.](#) City – GRPU Collaborative Services

ADJOURNMENT:

The next Work Session is scheduled for Wednesday, November 13, 2024 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Meeting of the Commission is scheduled for Wednesday, November 27, 2024 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The GRPUC has adopted a Meeting Protocol Policy, which informs attendees of the GRPUC's desire to conduct meetings in an orderly manner which welcomes all civil input from interested parties. If you are unaware of the policy, please contact our office at 218-326-7024 and we will provide you with a copy of the policy.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: October 30, 2024
AGENDA ITEM: Local Utility Preservation Resolution
PREPARED BY: Julie Kennedy, General Manager

BACKGROUND:

Last October, at the joint Council/Commission meeting, we introduced the concept of local utility preservation. This statewide initiative champions the principle that residents and customers should have a voice in the potential dissolution of their locally owned municipal utility. In April, at the joint meeting, we highlighted the legal requirement for a voter referendum to establish a municipal utility. Aligned with this, our Commission endorses the state municipal utilities association's position that a referendum should similarly be required for any dissolution.

To affirm and safeguard the rights of our voters regarding their utility services, we presented a draft resolution. GRPUC requests that the Council consider adopting this resolution to address these important concerns. Attached, you will find the memos and draft resolution from our prior meetings for your review. We look forward to the opportunity to discuss any questions or concerns the Council may have regarding this proposed resolution.

RECOMMENDATION:

GRPUC recommends the City Council consider adopting the Local Utility Preservation resolution.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: April 18, 2024

AGENDA ITEM: Local Utility Preservation Resolution

PREPARED BY: Julie Kennedy, General Manager

BACKGROUND:

At the October 10, 2023 joint meeting of the City Council and GRPUC, GRPU General Manager introduced the concept of adopting a resolution pertaining to Mn Stat. 412.321 Municipal Utilities creation and/or abandonment. Both Council and Commission agreed it was worth investigating and asked staff to bring the topic back for discussion at the next joint meeting.

As background, the follows is an article from MMUA in the Jan 2023 Resources:

*...MMUA filed comments in the proceeding to inform the MN Public Utilities Commission (MN PUC) that North Branch had not held a referendum as state law requires before a municipal utility can cease operation. Unfortunately, the MN PUC approved the utilities' petition despite MMUA's efforts. Given two minutes to speak on the filing she submitted on the Association's behalf, MMUA General Counsel Kaela Brennan explained to the Commissioners that MMUA's intention was not to interfere with local decision making. Rather, the decision belonged to the people of North Branch, and the map should not be changed until they had their opportunity to make that decision with their votes. The filing also noted that in 2016 the city put a measure on the ballot to disband the utility commission, and it failed. The PUC, however, agreed with one commissioner's reading of Minnesota Statutes Section 412.321, subdivision 4, that a municipal electric utility can be leased, sold, or discontinued by passage of an ordinance or resolution by the city council, **or** by approval of two-thirds of electors voting at a general or special election. MMUA argued that the statute requires that such ordinance or resolution must be passed by a city council **and** must also be approved by two-thirds of electors at an election...*

Attached is the MN Statute that shows a voter referendum is required to establish a municipal utility and that we believe a referendum of the voters should be required to abandon or sell a municipal utility. In light of the MN PUC's recent decision-making, Minnesota municipal

utilities and their cities are considering adopting a resolution at the local level committing to a referendum of the voters. Attached is a draft resolution for consideration.

RECOMMENDATION:

Review and discussion of the draft resolution to be considered at a future City Council meeting. No action to be taken at this meeting.

RESOLUTION NO. _____

A RESOLUTION TO ACKNOWLEDGE AND PROTECT THE RIGHT OF VOTERS REGARDING THE PROVISION OF UTILITY SERVICE

- (1) **WHEREAS:** Grand Rapids Public Utilities is a valuable public asset through which the City of Grand Rapids maintains and perpetuates significant self-investment and public services made currently and by past generations to promote the general welfare of City residents; and
- (2) **WHEREAS:** such investments contribute to ensuring and preserving the financial stability and fiscal integrity of the city's overall financial structure and credit rating; and
- (3) **WHEREAS:** such public services ensure reliable, affordable, and sustainable utility service to all residents and users in the City at reasonable rates subject to the control and regulation of the City; and
- (4) **WHEREAS:** access to service should be provided for all uses necessitated by all residents and entities of the City; and
- (5) **WHEREAS:** the utility and its services are vital to the continued planned and orderly growth of the City; and
- (6) **WHEREAS:** the right of the citizens of Grand Rapids to determine the disposition of their municipal utilities through referendum is protected due to enactment of 1949 Minnesota Laws Chapter 119, section 42, codified as Minnesota Statutes, Section 412.321, subdivision 4:

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND RAPIDS, MINNESOTA:

The City shall continue to own and operate the City's municipal utilities through its Grand Rapids Public Utilities Commission unless and until, two-thirds of voters voting in a general or special election approve an ordinance or resolution passed by the City Council, concurred in by the Grand Rapids Public Utilities Commission, to lease or sell the utility or discontinue its operation, wholly or in part, as provided by Minnesota Statutes, Section 412.321, subdivision 4.

PASSED AND ADOPTED BY THE CITY COUNCIL OF GRAND RAPIDS, MINNESOTA, THIS _____ DAY OF _____ 20__.

Attested:

Mayor

City Clerk



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: October 10, 2023
AGENDA ITEM: Local Utility Preservation Ordinance
PREPARED BY: Julie Kennedy, General Manager

BACKGROUND:

GRPU General Manager, Julie Kennedy, will present the concept of establishing an ordinance pertaining to Mn Stat. 412.321 Municipal Utilities creation and/or abandonment.

<https://www.revisor.mn.gov/statutes/cite/412.321>

RECOMMENDATION:

Council and Commission discussion only. No action necessary.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: October 30, 2024

AGENDA ITEM: Franchise Fees Ordinance

PREPARED BY: Matt Wegwerth, City Engineer & Public Works Director

BACKGROUND:

Staff to provide update for Council/Commission discussion.

RECOMMENDATION:

Discussion only - no action required.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: October 30, 2024

AGENDA ITEM: Legionella and Water Treatment Plant Renovation Project

PREPARED BY: Julie Kennedy, General Manager & Steve Mattson, Water Wastewater Manager

BACKGROUND:

Staff to provide update for Council/Commission discussion.

RECOMMENDATION:

Discussion only - no action required.



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: October 30, 2024
AGENDA ITEM: City – GRPU Collaborative Services
PREPARED BY: Julie Kennedy, General Manager

BACKGROUND:

Staff to provide update for Council/Commission discussion.

RECOMMENDATION:

GRPUC recommends City and GRPU staff work to update the existing MOU for Collaborative Services to bring for consideration of approval at the December 16, 2024 Council meeting and the December 18, 2024 Commission meeting.