

REGULAR MEETING OF THE JEFFERSON UTILITIES COMMISSION, HELD JULY 13, 2020

On call of the roll, commissioners present were: Brandel (via teleconference), Neils (arrived at 5:32 p.m.), Pieters, Ganser, Bristol and Oppermann. Also present were: Utility Manager Adler, Office Manager Statz and City Attorney Rogers. Absent was: Adams. The meeting began at 5:30 p.m.

PUBLIC PARTICIPATION

None

MINUTES

It was moved by Comm. Brandel and seconded by Comm. Pieters to approve the minutes from the June 8, 2020 meeting. On call of the roll, motion carried. (Pieters – Aye, Brandel – Aye, Ganser – Aye, Bristol – Aye, Oppermann - Aye)

EXPENDITURES

Comm. Neils arrived.

It was moved by Comm. Pieters and seconded by Comm. Ganser to approve the payment of June's bills totaling \$1,150,949.30. On call of the roll, motion carried. (Pieters – Aye, Brandel – Aye, Neils – Aye, Ganser – Aye, Bristol – Aye, Oppermann - Aye)

DISCUSSION AND POSSIBLE ACTION – RESUMING DISCONNECTIONS AND LATE PENALTIES

Office Manager Statz explained the Public Service Commission (PSC) has given utilities the green light to proceed with disconnections and late penalties effective July 15, 2020. Ms. Statz explained that the first wave of disconnections, the utility will allow customers to enter into payment arrangements with a 25% down payment rather than the normal 50%. After the first round of shut offs, the utility will revert back to 50% down payment, taking into consideration individual circumstances when necessary.

Ms. Statz continued to say that she would propose that the utility hold off on resuming late penalties until after the tax roll process this fall. She explained that utilities can not charge late penalties on any balance that accrued from March 24 to July 15. Our billing software, like many others, is unable to remove a specific time period from the past due balance calculation. She explained there would be immense manual work involved with applying late penalties per the PSC's order. She explained that once the balances are written off after tax roll this fall, we would know for sure that we were not applying penalties incorrectly and we could begin again.

Ms. Statz explained that the utility budgeted \$29,000 in late penalty revenues for 2020. She estimated that the utility would receive about \$10,700 if we were to hold off on late penalties until after tax roll this fall.

City Attorney Rogers questioned why we would wait until the tax roll process.

Office Manager Statz explained that once the past due balances are written off of the accounts in the billing software, we would know for sure that we are not applying late penalties to a time period we could not do so, as all past due balances are removed from accounts.

Comm. Bristol stated he would like to see the late penalties applied, as the utility has already lost revenue due to the coronavirus pandemic.

Comm. Pieters agreed that the utility should try to collect some revenue if the PSC has allowed for it.

Comm. Neils stated that customers should pay late penalties if they were not paying on time, as it was unfair to those customers that did make prompt payment.

Comm. Ganser questioned if the PSC would put another stay in place for disconnections and late penalties.

Office Manager Statz stated she was not ruling that out.

Comm. Brandel stated he understood the revenue loss and rewarding those customers that paid on time, but also felt that the utility should support our customers during difficult times.

Office Manager Statz stated that the PSC is requiring all utilities to submit monthly foregone revenue figures to them for consideration in future rate cases. Late penalties are included in that survey.

Comm. Oppermann stated that would require future customers to pay for the delinquencies of current customers and he didn't believe that was fair. He then stated it was his understanding that customers could enter payment agreements and late penalties would not apply in those situations.

Office Manager Statz stated that was correct, deferred payment agreements are not charged late penalties.

Comm. Brandel stated since that was the case, he was altering his position to charge late penalties. He stated customers that are responsible in making their payments will not be negatively affected and those that do not make payment should pay a late penalty.

It was moved by Comm. Bristol and seconded by Comm. Brandel to begin charging late penalties per PSC approval on usage after July 15, 2020. On call of the roll, motion carried. (Pieters – Aye, Brandel – Aye, Neils – Aye, Ganser – Aye, Bristol – Aye, Oppermann - Aye)

It was moved by Comm. Pieters and seconded by Comm. Bristol to adjourn. Motion carried on a voice vote. The meeting adjourned at 5:58 p.m.

PRESIDENT

SECRETARY