

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on April 29, 2014.

Commission President Donald Samuelson called the meeting to order.

Commissioners Roll Call

Lucy Nesheim – Present
Don Samuelson - Present
William Wroolie – Present

Mark O’Day – Present
Donald Sievek – Present

Utility Staff Present

Secretary/Finance Director
Superintendent
Recording Secretary

Todd Wicklund
Scott Magnuson
Sharon Jensen

Others in Attendance

Brainerd City Administrator
Brainerd City Councilmember
Brainerd City Councilmember

Patrick Wussow
Gary Scheeler
Mary Koep

Approval of Minutes and April 2014 Bills

Motion by Commissioner Wroolie and seconded by Commissioner O’Day to approve the minutes of the March 25, 2014 regular monthly meeting and to approve payment of the April 2014 bills. There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

Brainerd History Week–June 16–22, 2014

Brainerd City Councilmember Mary Koep informed the Commission of the activities planned for Brainerd History Week. She stated that the Brainerd History Day has expanded to a week full of designated days with opportunities to explore Brainerd’s varied history each day.

- Monday-June 16 is the City Hall and Fire Hall Centennial celebration.
- Tuesday-June 17 – Railroad Day
- Wednesday-June 18 – Teddy Bear Parade & American Indian Day
- Thursday-June 19 – Crow Wing County Historical Society Day
- Friday-June 20 – Downtown Day
- Saturday June 21 – Gregory Park Day
- Sunday-June 22 – Church Day

Events are planned each day based on the theme. Councilmember Koep requested an article from BPU to include in the “time capsule”.

President’s Report

President Samuelson reported the meeting with local legislators at MMUA Legislative Conference on April 24, 2014. Samuelson noted that if no action is taken by the Legislature regarding the Hydro purchase when the session ends it is considered approved.

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Other Commissioners' Reports

Commissioner Wroolie reported that as President-Elect for MMUA he was involved in four presentations to the Legislature about the differences between Investor Owned Utilities (IOU's) and Public Power. The conference also included a presentation on terrorism.

City Administrator Report

City Administrator Patrick Wussow reported that the negotiating committee had met with Wausau employees Steel Workers Union officials and the next meeting is scheduled for May 8th.

There is a public hearing on May 13th regarding the application from ReNu for demolition of portions of the Wausau site.

Secretary's Report

Secretary Wicklund reported the following significant items:

Summary of Utility Operations – March 31, 2014

	Three Month Period Ended March 31,					
	Electric		Water		Wastewater	
	2014	2013	2014	2013	2014	2013
(Amounts in Thousands)						
Operating Revenue	\$ 4,342	\$ 4,570	\$ 474	\$ 459	\$ 574	\$ 560
Operating Expenses						
Purchased Power	3,096	3,577	-	-	-	-
Depreciation	330	303	125	120	345	346
Other Operating Expenses	659	606	342	353	481	459
Total Operating Expenses	4,085	4,486	467	473	826	805
Operating Income (Loss)	257	84	7	(14)	(252)	(245)
Nonoperating Revenue (Expense)	(55)	(42)	1	1	142	130
Transfers to City	(162)	(183)	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Net Change in Net Assets	\$ 40	\$ (141)	\$ 8	\$ (13)	\$ (110)	\$ (115)
Meters in Service	7,862	7,786	4,633	4,624	4,585	4,579

Purchase of Hydropower Dam Update

Wicklund discussed the following items related to the purchase of the Dam:

- 60 Day extension for the FERC transfer of license to finalize property insurance, labor agreement and financing.
- Discussions with Minnesota Power (MP) regarding the Hydro acquisition and the current MP contract continue. Wicklund stated that negotiations are challenging with MP there request to extend the contract by 5 years and not willing to disclose the proposed cost increases. Wicklund asked for direction from the Commissioners on seeking other power providers.

Motion by Commissioner Wroolie and seconded by Commissioner O'Day for Staff to explore options for other sources to provide power to BPU. There was a unanimous roll call vote in favor of the motion. Motion carried.

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Superintendent's Report

Superintendent Magnuson reported the following significant items:

Water Department

- Leaks/Breaks/Complaints – Water service break on South 6th Street
- Frozen Services – April 30th is the last day for running water by Utility customers. On Friday April 25th Bjerga Feed Store on Front Street the water line thawed.
- Filtration Plant – Catalyzer #5 trough is in and concrete for # 6 has been poured.
- Projects – City Street projects will include water main replacement on 10th Avenue NE

Wastewater Treatment Department

- WWTF is running well
- Projects
 - Sludge hauling will start soon the fields need to dry, possible surface application and injection this spring.
 - Accident involving the Semi-Truck/tractor the gas tank was crushed.

Electrical Department

- Outages/Interruptions/Complaints –
 - April 12th Baxter Industrial Park outage fire burned top half of the pole.
 - Yesterday SW 4th & May Street tree on the lines caused a 45 minute outage.
- Projects
 - SE Brainerd – Daryl's crew
 - Tree Trimming – Dan's crew
 - Interns Line/Electric Department – Three Interns started April 28th they will rotate working on both Crews and in with the Meter Department

Administration

- Troy Block – Has completed his 6 month probation as Meter Reader
- Steve Dryburgh – Has completed 6 month probation as Meter Tech
- Laborer – Hired Andrew Moody as of May 5' 2014.
- Lineworker – Hired Dallas Moorhouse as of May 5' 2014
- Water Tower – Presented updated paint proposal from Downtown business group. The design would be painted on 2 sides and would include the old Water tower and Paul Bunyan on each side of Brainerd. The proposed paint scheme of 18 colors would be reduced and the cost is \$22,000 per side. Fundraising by has been proposed by the Group.

Old Business

Employee Evaluation-Commission Review

Commissioner O'Day stated the Commission met in closed session and agreed with self evaluations.

Commissioner Nesheim commended the time and energy put into the Hydro purchase on top of the regular duties.

Commissioner Wroolie said excellent job on the due diligence and operating of the Utility.

Commission President Samuelson noted that as law requires pursuant to M.S. 13D.05, Subd. 3(a) the Commission recessed the regular meeting and went to closed session evaluate the performance of Secretary/Finance Director Wicklund and Superintendent Magnuson.

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New Business

None

Adjournment

Motion by Commissioner Wroolie to adjourn the meeting at 10:29 AM seconded by Commissioner O'Day. Motion carried.