

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on July 21, 2015.

Commission President Lucy Nesheim called the meeting to order.

**Commissioners Roll Call**

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

Mark O'Day – Present  
Dolly Matten – Present

**Utility Staff Present**

Secretary/Finance Director  
Superintendent of Utilities  
Recording Secretary  
Technology Supervisor

Todd Wicklund  
Scott Magnuson  
Sharon Jensen  
Scott Sjolund

**Others in Attendance**

Brainerd City Administrator  
Brainerd City Councilmember  
Clean Energy Resource Teams  
Brainerd Dispatch

Patrick Wussow  
Gary Scheeler  
Sarah Hayden Shaw  
Spenser Bickett

**Approval of Minutes and July 2015 Bills**

**Motion by Commissioner Samuelson and seconded by Commissioner Matten to approve the minutes of the June 23, 2015 regular monthly meeting and to approve payment of the July 2015 bills. There was a unanimous roll call vote in favor of the motion. Motion carried.**

**President's Report**

None

**Other Commissioners' Reports**

None

**City Administrator Report**

Brainerd City Administrator Patrick Wussow mentioned that Mayor Wallin is sending a thank you letter to City staff and BPU in particular for response to the storm last week.

The Airport utility extension detail plans should be completed by December with January bid let. One option being discussed is BPU handling the administration of Airport utility revenue bonds. Discussions continue with the City of Baxter regarding the local option sales tax funding for the extension. Brainerd's new City Administrator Jim Thoreen was at the meeting and is aware of ongoing issues.

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**Special Presentation**

Clean Energy Resource Teams (CERTs) – Overview of Community Solar

Sarah Hayden Shaw, Central Region Coordinator for CERTs discussed CERTs’ organization which is under the umbrella of the University of Minnesota. CERTs has a mission of helping communities and units of government with their clean energy projects and goals.

Ms. Hayden Shaw presented an overview of Community solar, and how and why some other electric municipals and co-ops in the State are participating in them. Community Solar Gardens are centrally – located solar photovoltaic (PV) systems that provide electricity to participating subscribers. Individuals have an opportunity to subscribe to the program without having solar panels on their own homes.

Commissioner Wroolie asked staff to look into possible sites for a community solar garden.

**Secretary’s Report**

Secretary Wicklund reported the following significant items:

June 30, 2015 Financial Summary

	Six Month Period Ended June 30,					
	Electric		Water		Wastewater	
	2015	2014	2015	2014	2015	2014
<b>(Amounts in Thousands)</b>						
Operating Revenue	\$ 9,074	\$ 8,438	\$ 1,073	\$ 1,001	\$ 1,178	\$ 1,160
Operating Expenses						
Purchased Power	5,356	6,087	-	-	-	-
Depreciation	736	646	319	250	688	690
Other Operating Expenses	1,849	1,278	705	679	910	919
Total Operating Expenses	7,941	8,011	1,024	929	1,598	1,609
Operating Income (Loss)	1,133	427	49	72	(420)	(449)
Nonoperating Revenue (Expense)	(186)	(111)	(16)	3	299	270
Transfers to City	(292)	(305)	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Net Change in Net Assets	\$ 655	\$ 11	\$ 33	\$ 75	\$ (121)	\$ (179)
Meters in Service	7,913	7,856	4,757	4,748	4,596	4,589

Status Update of Power Supply Review Process

Wicklund reviewed the draft of the Mutual Agreement of Confidentiality between Minnesota Power, BPU and PPES, LLC regarding developing future power supply. Attorney Kayla Brennen has reviewed and recommended changes.

**Motion by Commissioner Wroolie and seconded by Commissioner O’Day to approve and authorize staff to sign the mutual agreement of confidentiality subject to Attorney final approval. There was a unanimous roll call vote in favor of the motion. Motion carried.**

Minnesota Power (MP) Wholesale Rate Change

MP’s new rates effective July 1st will increase approximately 5% overall from prior year.

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING July 21, 2015**

### Baxter Study of Water and Sewer Improvements to Eagle Drive

The City of Baxter is studying extending water and sewer along with road improvements to Eagle Drive and Eagle Ridge Drive. BPU/City of Brainerd owns considerable property along the proposed project area and with Baxter assessing costs to property owners BPU needs to have representation at the public hearings. Wicklund noted that there would be no benefits to BPU.

### MMUA Summer Conference

MMUA annual summer conference is at Breezy Point Resort, August 17-19.

### **Superintendent's Report**

Superintendent Magnuson reported on the following:

#### Water Department

- Leaks/Breaks/Complaints
  - Small leak at Norwood and 16<sup>th</sup> Street SE old 1 ½" line not in use
- Filtration Plant
  - MN Dept. of Health lowered fluoride levels from 1.2 to .7 milligrams per liter

**Motion by Commissioner Wroolie and seconded by Commissioner O'Day as per MN Dept. of Health mandate to lower the fluoride level to .7 milligrams per liter. There was a unanimous vote in favor of the motion. Motion carried.**

- Projects
  - Curb stops, hydrants and some AMR's

#### Wastewater Treatment Department

- WWTF/Projects
  - Generator is back in service possible insurance claim
  - Checking Lift stations

#### Electrical Department

- Outages/Interruptions/Complaints
  - July 12<sup>th</sup> storm
    - 10 Lineworkers and 1 Wastewater employee were called in at 7:30 pm Sunday
    - 3 Meter crew pre-checked calls of lines down/and help with getting power back on
    - Downtown Sub was online and North Brainerd had power
    - 50 to 60 customers needed electricians
    - Wednesday-Sunday 4 Lineworkers and digger derrick truck provided "storm assist" with Minnesota Power in the Nisswa area.
    - Not many complaints were received
- Northeast Brainerd – back to project on Monday

#### Hydro Department

- AMJET – Unit is not built yet and installation discussions continue
- Generators – 3 generators at 80% and Staff is monitoring the increase of old recommended limit of 700 to 840 amps
- Hydro Physical Model/Study – Working on model first round of tests is August 26<sup>th</sup>.
- FERC – Annual inspection is August 3<sup>rd</sup>, review emergency action and security plans.
- Barr Engineering/Hydro Model – Status report
- Hydro Driveway Repair – Waiting for bids from contractors.

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**Administration Department**

- Lineworkers –Hired Dylan Ferrari, Apprentice lineworker/3<sup>rd</sup> step
- Retirement – Steve Olson, Lineworker retirement date August 3<sup>rd</sup>.
- Maintenance Electrician – Job description and negotiating wage with IBEW
- Probation Completed – Jonathan Engholm completed his 6 month probation
- Surplus Sale/Auction – Wednesday July 22 and Thursday July 23

**Public Forum**

None

**Old Business**

None

**New Business**

None

**Adjournment**

**Motion by Commissioner Wroolie and seconded by Commissioner Matten to adjourn the meeting at 10:08 AM. Meeting adjourned.**