

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on March 25, 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
Kelly Eades

Others in Attendance

Brainerd City Councilmember
Brainerd City Councilmember
Barr Engineering.
Barr Engineering
Brainerd Daily Dispatch
Downtown Marketing Group
Downtown Marketing Group
Line Supervisor
Brainerd Resident

Gary Scheeler
Mary Koep
William Formark
Adele Braun
Jessica Larson
Kevin Matthews
Trista Matthews
Trent Hawkinson
Jeff Czczok

Approval of Minutes and March 2014 Bills

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

Public Forum

Kevin and Trista Matthews:

- Presented artwork for painting on water tower on 9th St S.
- They would like to set up a webpage designed to take donations for cost of paint
- They suggested that this design would draw people to the downtown area.
- Brained Dispatch would also do an article on new water tower suggestion if approved
- More facts needed before artwork is approved

Brainerd Councilmember Mary Koep:

- Requested more specific information on hydro dam including the following:
 - Details of Engineering Reports
 - Project Costs and Funding Source

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- Accounting of All Costs
- Existing Contract with Minnesota Power

Jeff Czeczok:

- Requested clarification on amount of water flow to keep water pipes from freezing
- Question on timeline and Commission involvement in purchase of Brainerd Dam

President's Report

President Samuelson reported the scheduling of a meeting with local legislators at MMUA Legislative Conference on April 24 , 2014.

Other Commissioners' Reports

Commissioner Nesheim reported that she and Scott Magnuson met with CEO of SEH and discussed the process and work needed to be done on the water tower.

President Samuelson complimented Secretary Wicklund on the great job with negotiations with Wausau Paper.

City Administrator Report

None

Secretary's Report

Secretary Wicklund reported the following significant items:

Legislative Update Pertaining to the Following:

- Local Option Sales Tax (LOST) – Testimony given at House Subcommittee (Bill HF 2669) requesting the current allowed time to collect the local tax be extended from May 2019 to May of 2031 in order to continue to make debt service payments on construction of wastewater treatment plant without having to significantly increase the monthly debt service charge to BPU customers. The City of Baxter also testified at the hearing. The Senate Bill SF 2279 was also discussed in committee.
- Purchase of Hydropower Dam – Testimony given in two House Subcommittees and one Senate Subcommittee.

Purchase of Hydropower Dam Update - William Formark from Barr Engineering discussed the following significant items related to the Hydropower Dam:

- Responsibilities of owning a hydropower project
 - Regulatory (FERC, other agencies)
 - Dam safety (ODSP)
 - Security (site security, critical energy infrastructure information (CEII))
 - Operations - similar to other utilities managed by BPU
 - Public safety – including the following resources available -
 - Wausau Paper (Limited time period)
 - Barr Engineering
 - FERC
 - Other hydropower operators
 - Dam and hydro associations
 - A Minnesota Municipal Hydro Operators Workshop

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

- FERC has approved transfer of license from Wausau Paper to City of Brainerd.
- Title and commitment work nearly complete.
- Continue to work with MMUA's Midwest Consortium of Municipal Utilities (MCMU) on financing for the project.

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- Primary reasons for acquisition of Dam include hedging our current cost of power being purchased from Minnesota Power and would give Brainerd an ownership stake in controlling its own power portfolio.

Status of Joint Wastewater Management Board – Board established in Sewer Use Agreement and Finance Agreement with City of Baxter when wastewater treatment plant was constructed. The purpose of the Board is to act as an advisory board to the BPU Commission and is anticipated to meet once or twice a year to hear reports concerning the facility. The Board is to consist of two Council members from both Brainerd and Baxter and the President of the BPU Commission. Before the Board can actually meet the members must be selected by each City.

MMUA Legislative Conference - April 23-25 at Crowne Plaza Hotel in Bloomington

2013 Financial Audit - Schedule to start April 28th

Superintendent's Report

Superintendent Magnuson reported the following significant items:

Water Department

- Leaks/Breaks/Complaints – As of today 186 BPU customers have reported frozen water lines. Crews are using welders to thaw. Crews doing a great job. One Main break on Mill Avenue.
- Filtration Plant – Repair catalyzer #5 is on schedule.
- Projects
 - Planning for Spring projects of gate valve repairs and repairs of standpipes

Wastewater Treatment Department

- WWTF is running well
- Projects
 - Getting gear ready to haul sludge.

Electrical Department

- Outages/Interruptions/Complaints –
 - Minor outages on single dwellings.
- Projects
 - SE Brainerd – Daryl's crew
 - Tree Trimming – Dan's crew
 - Arbor Glenn – construction on second building has started.

Administration

- Summer Help – Will hire 2 helpers at 40 hours a week.
- Laborer Position—Posted
- Journeyman Position—Posted
- Technician—Software upgrade with City of Brainerd before position to be posted

Old Business

None

Commission President Samuelson called for a ten minute recess starting at 9:55 AM.

Commission President Samuelson called the meeting back to order at 10:05 AM.

Adjourn – To closed session pursuant to M.S. 13D.05, Subd. 3(a) to evaluate the performance of Secretary/Finance Director Wicklund and Superintendent Magnuson at 10:06 AM.

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The Commission reconvened into open session at 10:45 AM.

Adjournment

Commission President Samuelson adjourned the meeting at 10:45 AM.