

The reconvened regular meeting of the Brainerd Public Utilities Commission was held at 2:00 PM on September 18, 2017.

Commission President Dolly Matten called the meeting to order.

**Commissioners Roll Call**

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

Mark O'Day – Present  
Dolly Matten – Present

**Utility Staff Present**

Secretary/Finance Director  
Superintendent of Utilities

Todd Wicklund  
Scott Magnuson

**Others in Attendance (Open Session Only)**

Brainerd Finance Director  
Springsted Inc.

Connie Hillman  
Paul Steinman

**Purpose of Meeting**

President Matten stated the purpose of the meeting was to adjourn to closed session pursuant to M.S. Section 13D.05, Subd. 3(b) for attorney – client privilege to discuss potential litigation on dam spillway apron project then reconvene back into open session to discuss resolution related to issuance of 2017A Electric Utility Revenue Bonds.

**Motion by Commissioner Wroolie and seconded by Commissioner Nesheim to meet in closed session pursuant to Minnesota Statutes Section 13D.05, subd. 3(b), for attorney-client privilege to discuss potential litigation on dam spillway apron project. There was a unanimous vote in favor of the motion. Motion carried at 2:01 PM.**

Those present at the closed session included Commissioners Matten, Nesheim, O'Day, Wroolie, Superintendent Magnuson, Secretary/Finance Director Wicklund, and Attorney Jim Strommen (via phone).

The Commission reconvened into open session at 2:22 PM.

**Motion by Commissioner Wroolie and seconded by Commissioner O'Day to authorize the signing of a settlement agreement with Barr Engineering Co. regarding the hydro dam apron review and 2014 project representation, subject to modification of the agreement consistent with direction given by the Commission in closed session with conforming language acceptable to legal counsel and BPU staff. There was a unanimous vote in favor of the motion. Motion carried at 2:23 PM.**

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING  
September 18, 2017**

**Issuance and Sale of Electric Utility Revenue and Refunding Bonds, Series 2017A**

Paul Steinman, Springsted Inc., discussed the resolution before the Commission requesting the issuance and sale of Electric Utility Revenue and Refunding Bonds, Series 2017A, by the City of Brainerd in the maximum aggregate principal amount of \$6,560,000.

The purpose of the bonds would be to refund the remaining outstanding balance of \$4,830,000 of the 2007A Electric Utility Revenue Bonds callable on or after December 1, 2017 as well as finance the remaining work to be done on the apron at the hydro in the amount of \$1,730,000. A Private Placement Offer (PPO) was received from Robert W. Baird & Co., the Placement Agent for Branch Banking and Trust Company (BB&T).

The term of the 2017A Bonds shall be ten years with a fixed interest rate of 2.25 percent. The net present value benefit of refunding the 2007A Bonds would be \$522,000.

The PPO was compared to projected competitive bond sales and recommendation of Springsted Inc. and BPU staff is to request Commission to request City of Brainerd to accept proposal from BB&T and to ratify the acceptance of the proposal from BB&T. The principal amount of the Series 2017A Bond shall not exceed \$6,560,000.

**Motion by Commissioner Wroolie and seconded by Commissioner O'Day to approve Resolution No. 2017-01 requesting the issuance and sale of Electric Utility Revenue and Refunding Bonds, Series 2017A, by the City of Brainerd in the maximum aggregate principal amount of \$6,560,000. There was a unanimous roll call vote in favor of the motion. Motion carried at 2:38 PM.**

**Adjournment**

**President Matten adjourned the meeting at 2:38 PM.**