

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on February 27, 2018.

Commission Vice President Dolly Matten called the meeting to order.

Commissioners Roll Call

Mike Angland – Present
Don Samuelson - Present
William Wroolie – Absent

Mark O'Day – Present
Dolly Matten – Present

Utility Staff Present

Secretary/Finance Director
Superintendent of Utilities
Recording Secretary
Electric Supervisor
Accounting Supervisor

Todd Wicklund
Scott Magnuson
Sharon Jensen
Trent Hawkinson
Julie Batters

Others in Attendance

Brainerd City Administrator
HR Coordinator
BLAEDC

Cassandra Torstenson
Kris Schubert
Bruce Buxton

Commission Vice President Matten opened the meeting with the Pledge of Allegiance to the Flag.

Approval of Minutes and Consent Items

Motion by Commissioner Samuelson and seconded by Commissioner O'Day to approve the minutes of the January 30, 2018 regular monthly meeting, February 20, 2018 special meeting and to approve payment of the February 2018 bills. There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

None

President's Report

None

Other Commissioners' Reports

None

City Administrator Report

None

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Special Presentation

River to Rail - Bruce Buxton, BLAEDC

Bruce Buxton, BLAEDC, reported there was a community event last night attended by 240 people representing several different groups and committees all with a common goal to revitalize Brainerd. The River to Rail Project has taken the ideas and expanded on them identifying the potential for change. Brainerd has good name recognition and to have all the various groups working together it is a real positive for Brainerd.

Commissioner O'Day inquired about funding for the Project. Mr. Buxton said the Project needs public support but cannot be a burden to the taxpayers and must be market based/private investment. Commissioner Samuelson recalled the past studies and wondered if the same fate would happen to this study. Buxton replied that those were prepared by outsiders and this is locally based and should have a better chance of moving forward. Commissioner Angland attended the event and felt it was a good dialog between the groups attending.

Mr. Buxton asked about the overhead power structures and lines downtown. He asked about BPU's plans to change the infrastructure to underground. Superintendent Magnuson replied that changing to underground requires a bigger footprint on the ground for safety and accessibility and that the voltage would need to be converted to 34.5 kV to match the rest of BPU's system.

Secretary's Report

December 31, 2017 Summary of Financial Operations

Wicklund stated that journal entries are being made and preparations are being made for the audit the 1st week of April.

Status Update of Rate Study

Wicklund reported that Utility Financial Solutions rate presentation will be at the March 20, 2017 Commission meeting. Rate adjustments are expected for water and wastewater due to the Airport project.

Results of Minnesota Power MISO Transmission Charges

MCR Performance Solutions, LLC has reviewed the MISO charges and did not find any errors in the calculations made by Minnesota Power.

Power Production Tariff Resolution

Wicklund presented the annual retail energy rates for cogeneration and small power production tariff Resolution No. 2018:02 for Commission approval. The energy rate schedule 1 is for solar and needs to be approved annually.

Motion by Commissioner Samuelson and seconded by Commissioner O'Day to approve Resolution No. 2018:02 cogeneration and power production tariff. There was a unanimous roll call vote in favor of the motion. Motion carried.

HR Coordinator-BPU Job Descriptions

HR Coordinator, Kris Schubert, reviewed the process leading to the approval of BPU job descriptions and benchmark selections.

Motion by Commissioner O'Day and seconded by Commissioner Samuelson to approve all revised BPU jobs descriptions as recommended by Management; further, that the revised date for all current job descriptions reflect January 1, 2018. There was a unanimous vote in favor of the motion. Motion carried.

Motion by Commissioner O'Day and seconded by Commissioner Samuelson to select BPU's Billing Representative, Credit/Collections Representative, Hydro Operator, Engineering Tech, Lineworker, Electric Supervisor, Superintendent, and Finance Director classifications as

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benchmarked positions for the Compensation Plan and Pay Equity Study. There was a unanimous vote in favor of the motion. Motion carried.

Motion by Commissioner Samuelson and seconded by Commissioner Angland to select Marshall, Willmar, Elk River, Owatonna, Alexandria and Hutchinson as benchmarked utilities for BPU's portion of the compensation Plan and Pay Equity Study. There was a unanimous vote in favor of the motion. Motion carried.

Superintendent's Report

Water Department

- Leaks/Breaks/Complaints –
 - County Rd 117 & So. 6th St. – Mound in road staff cannot find a leak and continues to monitor.
- Projects
 - Freeze ups – Due to the weather approximately 200 homes have been asked to run water, used the list from 2014.

Wastewater Treatment Department

- WWTF Projects
 - WWTF Plant – service award from the MPCA for reporting and no violations
 - Training the new Wastewater Operators

Electrical Department

- Outages/Interruptions/Complaints
 - January 30th – 400 block W. Washington St.-Semi truck sheared off a pole
 - February 20th – 11th & Quince –squirrel caused 20 minute outage
- Crow Wing Power service territory acquisition – On the agenda of the Minnesota Public Utility Commission meeting on March 8th.

Hydro Department

- Projects
 - Apron – Final pay request for \$174,961.20 received from ECI.

Motion by Commissioner O'Day and seconded by Commissioner Samuelson to approve payment of the final bill received from ECI for \$174,961.20. There was a unanimous roll call vote in favor of the motion. Motion carried.

- FERC – Pre Application Document (PAD) is due February 28th, the PAD is ready for final review and will be filed online. The license renewal process takes approximately five year. The current 30 year license expires in March 2023 and BPU will be applying for a 40 year extension starting in 2023.

Administration Department

- Lineworker Mitch Lachelt-6 month probation ends February 21, 2018
- Wastewater Operator Brad Knapp 6 month probation ends March 12, 2018

Old Business

None

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New Business

None

Adjournment

Motion to adjourn by Commissioner Samuelson and seconded by Commissioner O'Day. There was a unanimous vote in favor of the motion. Motion carried at 10:21 AM.