

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on December 18, 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
Recording Secretary
Line Supervisor
Accounting Supervisor

Todd Wicklund
Scott Magnuson
Sharon Jensen
Trent Hawkinson
Julie Batters

Others in Attendance

Brainerd City Administrator
Public Power Energy Services
Brainerd Dispatch
Brainerd Mayor

Cassandra Torstenson (arrived @ 9:10)
Mike Kumm
Teresa Bourke
Ed Menk

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 November 27, 2018 regular monthly meeting and to approve payment of the December 2018 bills. There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

None

President’s Report

None

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

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Other Commissioners' Reports

Commissioner Matten reported that at the December 3rd City Council meeting BPU's 2019 Capital and Operations budget was approved.

Presentation Tower Award

Mayor Ed Menk presented retiring Commissioner Don Samuelson with the City of Brainerd Tower Award. Mr. Samuelson thanked the Mayor and said that he has lived in Brainerd his entire life and appreciated the opportunity to serve on the Commission. He was also a member of the first Brainerd Housing Authority board that sought the funding and built the Brainerd High Rise apartment building.

Special Presentation

Line Supervisor Trent Hawkinson reviewed the meter technology/mapping and outage system available to BPU staff and customers. During an outage customers are able to report and view the outage map on BPU's website.

My Meter is also available for customers to monitor their daily electric and water usage and set thresholds. My Meter is an aid to staff when discussing consumptions and bills with customers.

Secretary's Report

Review of Other November 2018 Financial Information

Wicklund reviewed summary of financial position along with related operating statistics for November financial information.

Public Power Energy Service, PPES

Mike Kumm, PPES, presented the 6th amendment to market based rate agreement with AEP for Commission approval.

Motion by Commissioner O'Day and seconded by Commissioner Samuelson to approve the 6th Amendment to Market Based Rate Agreement with AEP. There was a unanimous roll call vote in favor of the motion. Motion carried.

Proposed 2019 Electric Rebates

Accounting Supervisor, Julie Batters, presented the proposed 2019 electric rebate schedule for residential appliances and furnaces. BPU rebates were handled through the Minnesota Power program and 2019 will be the first year that BPU will be administrating its own program. The rebates are funded with the conservation incentives program (CIP) funds collected from all customers.

Motion by Commissioner O'Day and seconded by Commissioner Angland to approve the 2019 Electric Rebates as presented. There was a unanimous vote in favor of the motion. Motion carried.

2019 Commission Meeting

Wicklund reviewed the Commission 2019 meeting schedule.

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Proposed Mission Statement

Wicklund asked for Commission input on the proposed Mission Statement of “The mission of Brainerd Public Utilities is to provide safe, reliable, environmentally friendly electric, water and sewer service to our customers at the lowest reasonable cost.” The Commissioners stated that it was simple and straight to the point.

Motion by Commissioner O’Day and seconded by Commissioner Angland to approve BPU Mission Statement “The mission of Brainerd Public Utilities is to provide safe, reliable, environmentally friendly electric, water and sewer service to our customers at the lowest reasonable cost.” There was a unanimous vote in favor of the motion. Motion carried.

November 30, 2018 Summary of Utility Operations

	Eleven Month Period Ended November 30,					
	Electric Department			Water Department		
<i>(Amounts in Thousands)</i>	2018	2017	2016	2018	2017	2016
Operating Revenue	\$ 19,631	\$ 18,053	\$ 16,924	\$ 2,369	\$ 2,208	\$ 2,118
Operating Expenses	16,319	16,675	16,190	2,466	2,238	1,971
Operating Income (Loss)	3,312	1,378	734	(97)	(30)	147
Nonoperating Revenue (Expense)	(197)	(286)	(302)	45	185	(42)
Transfers to City	(634)	(618)	(627)	-	-	-
Net Change in Net Assets	\$ 2,481	\$ 474	\$ (195)	\$ (52)	\$ 155	\$ 105
Meters in Service	8,077	8,032	7,979	4,760	4,719	4,753
	Wastewater Treatment Department			Combined All Departments		
<i>(Amounts in Thousands)</i>	2018	2017	2016	2018	2017	2016
Operating Revenue	\$ 2,497	\$ 2,427	\$ 2,315	\$ 24,497	\$ 22,688	\$ 21,357
Operating Expenses	3,365	3,129	2,911	22,150	22,042	21,072
Operating Income (Loss)	(868)	(702)	(596)	2,347	646	285
Nonoperating Revenue (Expense)	751	852	710	599	751	366
Transfers to City	-	-	-	(634)	(618)	(627)
Net Change in Net Assets	\$ (117)	\$ 150	\$ 114	\$ 2,312	\$ 779	\$ 24
Meters in Service	4,705	4,672	4,637	17,542	17,423	17,369

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City Administrator Report

City Administrator Torstenson reported the following:

- Union negotiations continue with seven City/BPU unions.
- Council passed a 6% levy increase last night and improvements will be made to City Hall so it will function for the future.

Superintendent's Report

Water Department

• Projects

- South Zone Water Tower - Foundation work and footings done. Pay request No. 2 received from Phoenix Fabricators & Erectors in the amount of \$133,760.00 for foundation and footings completed less retainage.

Motion by Commissioner O'Day and seconded by Commissioner Samuelson to approve pay request from Phoenix Fabricators & Erectors for \$133,760.00. There was a unanimous roll call vote in favor of the motion. Motion carried.

- AMI – working on changing water transmitters for Zone 1

Wastewater Treatment Department

- WWTF Projects
 - General maintenance - Evergreen Lift Station

Electrical Department

- Outages/Interruptions/Complaints
 - One blink – MP transmission side
- Projects:
 - Oak Street and North Brainerd
 - Crow Wing Recycling –due to transformer delay using the Industrial Park Substation
 - AMI upgrade – Meter/Line Crews

Hydro Department

- Projects
 - FERC–Emergency Action Plan training exercise went very well. Staff participated along with local Fire/Rescue/PCA/City/County representatives in separate rooms with discussion after to compare what went well and what areas could use some improvement. BPU will check elevation levels at Evergreen and Main Lift Station and the berms surrounding Water Plant.

Other

- Fitquest building – next steps - Police and Fire have been notified it is available for training and it will be used by City for storage.

Old Business

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None

New Business

- Election of 2019 Officers - move to January Commission meeting

Motion to go into closed session for the purpose to discuss union negotiation strategies with IBEW Local No. 31 and USW Local 9230 Unit 09 pursuant to M.S. Section 13D.03, Subd.1(b) at 10:28 AM.

Those in attendance at the closed session included Commissioners Angland, Matten, O'Day and Samuelson, Finance Director Wicklund, Superintendent Magnuson, City Administrator Torstenson and HR Coordinator Schubert.

The Chair reconvened into open session at 11:25 AM.

The Chair adjourned the meeting at 11:25 AM.