

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on January 22, 2019.

Commission President William Wroolie called the meeting to order.

**Commissioners Roll Call**

Mike Angland – Present

Tad Johnson- Present

William Wroolie – Present

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

Brainerd Mayor

Cassandra Torstenson

Ed Menk

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

Commission President Wroolie welcomed newly appointed Commissioner Tad Johnson to the Commission. Commissioner Johnson stated that he is a CPA at B. Johnson & Associates and is looking forward to serving on the BPU Commission.

**Election of 2019 Officers**

Commission President Wroolie called for nominations for BPU Commission President at which time Commissioner Matten nominated Commissioner O’Day. Nominations closed.

**Nomination of Commissioner O’Day for Commission President in 2019 was made by Commissioner Matten. There was a unanimous voice vote in favor of the motion. Motion carried.**

Commission President Wroolie called for nominations for the office of Vice President at which time Commissioner O’Day nominated Commissioner Angland. Nominations closed.

**Nomination of Commissioner Angland for Commission Vice President in 2019 was made by Commissioner O’Day. There was a unanimous voice vote in favor of the motion. Motion carried.**

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

January 22, 2019

### **Approval of Minutes and Consent Items**

**Motion by Commissioner O'Day and seconded by Commissioner Matten to approve the minutes of the December 18, 2018 regular monthly meeting and to approve payment of the January 2019 bills. There was a unanimous roll call vote in favor of the motion. Motion carried.**

### **Public Forum**

None

### **President's Report**

Wroolie stated he would be attending the MMUA Legislative Rally next week.

### **Other Commissioners' Reports**

None

### **City Administrator Report**

City Administrator Torstenson reported the following:

- Minnesota Legislative session started - finalizing agenda items in February
- Union negotiations continue
- Children's Museum location/property search
- Sourcewell/Region 5 meeting next week

### **Secretary's Report**

**Review of Other December 2018 Operating Statistics and Graphical Information**

Wicklund reviewed 10 year comparison of cash balances and annual net cash flows for all departments. This type of information will be used by rate study consultant this spring.

### **MMUA Legislative Rally**

On Tuesday January 29<sup>th</sup> and 30<sup>th</sup> Commissioner Wroolie along with Superintendent Magnuson and Finance Director Wicklund will be attending the rally at the Capital.

### **Financial Audit**

CliftonLarsonAllen LLP will begin financial audit fieldwork on April 1<sup>st</sup>.

### **MMUA Summer Conference**

The MMUA Summer conference will be held at Breezy Point Resort, August 19-21, 2019.

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**  
**January 22, 2019**

*December 31, 2018 Summary of Utility Operations (Subject to Year-End Adjustments and Audit)*

	Twelve Month Period Ended December 31,					
	Electric		Water		Wastewater	
	2018	2017	2018	2017	2018	2017
<b>(Amounts in Thousands)</b>						
Operating Revenue	\$ 21,416	\$ 19,826	\$ 2,573	\$ 2,402	\$ 2,723	\$ 2,669
Operating Expenses						
Purchased Power	11,854	12,754	-	-	-	-
Depreciation	1,855	1,776	960	821	1,497	1,429
Other Operating Expenses	4,140	3,892	1,748	1,701	2,180	2,070
Total Operating Expenses	17,849	18,422	2,708	2,522	3,677	3,499
Operating Income (Loss)	3,567	1,404	(135)	(120)	(954)	(830)
Nonoperating Revenue (Expense)	(213)	(339)	55	220	848	932
Transfers to City	(691)	(673)	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Net Change in Net Assets	\$ 2,663	\$ 392	\$ (80)	\$ 100	\$ (106)	\$ 102
Meters in Service	8,096	8,039	4,766	4,720	4,711	4,675

**Superintendent's Report**

**Water Department**

• Projects

- Clearing snow around hydrants
- AMI – working on changing water transmitters, just received 96 water endpoints. 2,000 plus another 2,000 on order (due to long lead time). Older electric turtle meters are failing so crews are replacing those first.
- Water temperature on 19<sup>th</sup> Street (long dead end with minimal usage) was 38 degrees on Monday the 14<sup>th</sup>.
- Near the intersection of County Rd 117 and Business 371 there is a leak - crews are keeping track and will try to locate this on/off leak.

**Wastewater Treatment Department**

- WWTF Projects
  - General maintenance – Pump rehab

**Electrical Department**

- Outages/Interruptions/Complaints
  - 12/27/18-winter storm, breaker open in Northeast substation - 217 meters out for approximately 2 hours
  - 1/16/19 - failed underground in North Brainerd, 5 meters out for 1.5 hours, crew installed temporary wire until next day, then out for ½ hour during permanent repair

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**January 22, 2019**

- Projects:
  - Line Crews are busy on Oak Street, North Brainerd and Wise Road service territory transfer area.
  - AMI upgrade – Meter and Line Crews-replacing failing electric meters

### **Hydro Department**

- Projects
  - Updating FERC – required signage, getting quotes to replace the current canoe portage signs that are on painted plywood to aluminum which should last for 20 years. Other smaller danger signs will be updated also.
  - Still experiencing significant water flow, normally at this time of year some generators are shut down due to lack of water, but currently all five generators are running at 100%
  - League of Minnesota Cities - BPU will receive a 10% discount on the Hydro insurance due to improvements to operations and maintenance procedures.

### **Other**

- Proposed Logo Update - Presented an updated logo to replace the current water tower based one. The proposed logo represents all three departments and would be used on letterhead, business cards and vehicle identification. The Commission discussed the proposed change and no action taken at this time.

### **Old Business**

None

### **New Business**

**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 9:44 AM.**

Those in attendance at the closed session included Commissioners Angland, Matten, O’Day, Johnson and Wroolie, Finance Director Wicklund, Superintendent Magnuson, City Administrator Torstenson, Mayor Ed Menk and HR Coordinator Schubert. City Attorney, Christian Shafer attended via phone.

The Chair reconvened into open session at 10:25 AM.

**The Chair adjourned the meeting at 10:25 AM.**

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Mark O’Day, Commission President

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Todd Wicklund, Commission Secretary