

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on June 25, 2019.

Commission President Mark O'Day 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

Operations Manager

Accounting Supervisor

Todd Wicklund

Scott Magnuson

Sharon Jensen

Trent Hawkinson

Julie Batters (9:20)

Others in Attendance

Brainerd Mayor

Brainerd City Administrator

BLAEDC

BLAEDC

BLAEDC

River to Rails

BLAEDC

Brainerd Dispatch

Ed Menk

Cassandra Torstenson

Sheila Haverkamp

Mike Bjerkness

Tyler Glynn

Bruce Buxton

Kevin Larson

Teresa Bourke

Commission President O'Day opened the meeting with the Pledge of Allegiance to the Flag.

Approval of Minutes and Consent Items

Motion by Commissioner Wroolie and seconded by Commissioner Matten to approve the minutes of the May 28, 2019 regular monthly meeting and to approve payment of the current months 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

June 25, 2019

Other Commissioners' Reports

None

City Administrator Report

None

Special Presentation

Brainerd Lakes Area Economic Development Corporation (BLAEDC)

Sheila Haverkamp, Mike Bjerkness, Tyler Glynn, Kevin Larson, and Bruce Buxton, representing BLAEDC updated the Commission on happenings at BLAEDC. The following are the key special initiatives for BLAEDC as presented:

- EXECS-mentoring and counseling, business planning, Rent-a-Board
- Workforce Development/Key Recruitment Program-spousal placement, support community workforce efforts
- BLAEDC/Unified Fund-consolidated funds from area communities for revolving loans, Jr. Achievement
- Tech Services
- River to Rails- area includes Washington to Oak and from River to NP Center

Commissioner O'Day inquired if BLAEDC is working with the Brainerd EDA. Tyler Glynn attends the bi-monthly EDA meetings. Mayor Menk and City Administrator Torstenson stated that the EDA is reorganizing to better define its function.

Secretary's Report

Review of Financial Operations for the 5 Month Period Ended May 31, 2019

- Operating income increase of \$449,000 over 2018
- Change in net assets of \$662,000 over 2018
- Power costs decreased \$266,000 from 2018
- Capital asset additions for 2019 are approximately \$652,000
- Non-restricted cash increase of \$1,533,000 from 2018.
- Electric Department operating revenue increase is \$313,000 over 2018 and change in net position increase of \$494,000 from 2018
- kWh sold is down 0.6% while utility revenue is up 4.1%
- Water Department operating revenue increase of \$8,700 over 2018 and change in net position loss of \$45,100 from 2018
- Water sold is up 0.4% while utility revenue is up 4.2%
- Wastewater Treatment Department operating loss is \$282,700 compared to \$338,300 for 2018
- Wastewater gallons processed down 2.4% while revenue is up 1.4%

Inflow/Infiltration (I/I)

Reviewed the electric costs related to treating inflow/infiltration gallons processed thru wastewater treatment plant. Nonbilled Brainerd I/I treated for 2019 is approximately 82 million gallons or 543,000 gallons per day. Billed Baxter gallons treated for 2019 is approximately 90.3 million or 598,000 gallons per day. Nonbilled I/I gallons is approximately 27 percent of total gallons treated at the plant. Brainerd City Engineer Paul Sandy has \$400,000 per year budgeted to line sanitary sewer pipes.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

June 25, 2019

South Zone Water Tower – Pay Request #6

Received pay request No. 6 from Phoenix Fabricators & Erectors in the amount of \$522,120.00. Revised contract amount is \$1,742,025 with \$1,121,615.00 of work completed to date.

Motion by Commissioner Wroolie and seconded by Commissioner Matten to approve pay request from Phoenix Fabricators & Erectors for \$522,120.00. There was a unanimous roll call vote in favor of the motion. Motion carried.

Minnesota Power-True-up

Minnesota Power (MP) true-up expense for final year ended June 30, 2019 will approximate \$104,000.

MMUA Summer Conference

The MMUA Summer conference is at Breezy Point Resort, August 19-21, 2019. Commissioner Wroolie, Wicklund, Magnuson and Hawkinson are attending.

HR Coordinator's Report

- Employee Policy Manual - City Attorney opinion not to have separate BPU policy
- 2019 Employee picnic – August 6th at Lum Park
- Performance based culture – delayed until December

Superintendent's Report

Water Department

- Projects
 - Flushing hydrants continues, about one week left
 - Working on fixing damaged gate valve boxes and standpipes
 - Construction on 10th Avenue and H St – one block of water main
 - South Water Tower – Concrete shaft complete, delivery of steel pieces
 - East Water Tower–interior cleaned and inspection completed two weeks ago, looks really good
 - Water plant property rezoning-Council had first reading last Monday-moving forward

Wastewater Treatment Department

- Projects
 - Bio-solids application – waiting for fields

Electrical Department

- Outages/Interruptions/Complaints
 - 5/22/19 – Bad secondary service connection-Thiesse Dr.-1 meter out for 1 hour
 - 5/29/19- Squirrel on the high side of transformer on 12th Avenue-2 other fuses also reacted 128 meters for 1 hour
 - 6/3/19-Squirrel on high side of transformer on 12th Avenue causing an outage between 12th-14th Ave and L St-K St. 26 meters out for 1 hour 15 minutes
 - 6/5/19-3 phase transformer failed on Wright St. 1 meter out for 1 hour
 - 6/8/19-squirrel on transformer on 500 block of 2nd Ave. 14 meters out for 1 hour
 - 6/8/19-Fuses operation by the NE Fire Hall-cause is unknown, 25 mph winds that day 192 meters out for 1.5 hours

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

June 25, 2019

- 6/8/19-squirrel on high side of transformer on 900 block of 10th Ave. 10 meters out for 30 minutes
- 6/11/19-Storm with lots of lightening-R13 on Oak St damaged by lightening causing 528 feeder breaker to open-2,185 meters out for 1 hr 24 min/1.5 hrs later the NE VFI opened 420 meters out for 3 hrs 2 min Crew found a single phase pad mount transformer failed due to lightening-37 min. later the VFI opened again-outage 420 meters for 32 min-Crew isolated the outage-found another single phase pad mount transformer failed from lightening
- AMI upgrade -replacing failing electric meters

Hydro Department

- **Projects**

- Tail water dropping, some extra water
- Annual FERC dam safety inspection scheduled for July 23rd
- Amjet turbine – City Attorney still reviewing contract

Other

IT/Data Analyst

Magnuson presented the IT/Data Analyst job description and proposed wage for Commission approval. Currently several BPU employees are working on different software applications.

Motion by Commissioner Matten and seconded by Commissioner Angland to approve the IT/Data Analyst job description and proposed wage of \$29.50. There was a unanimous roll call vote in favor of the motion. Motion carried.

Old Business

BLAEDC

The Commission discussed the services and benefits for BPU to continue the Affiliate Membership with BLAEDC. Commissioner Matten will be BPU's liaison.

Motion by Commissioner Angland and seconded by Commissioner Wroolie to approve BLAEDC membership contribution for \$5,050.00. There was a unanimous roll call vote in favor of the motion. Motion carried.

New Business

None

Adjournment

Motion by Commissioner Wroolie and seconded by Commissioner Matten to adjourn the meeting at 10:36 AM. Meeting adjourned.

Mark O'Day, Commission President

Todd Wicklund, Commission Secretary