

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on January 28, 2020.

Commissioner O'Day called the meeting to order.

Commission 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

Todd Wicklund

Scott Magnuson

Sharon Jensen

Others in Attendance

City Administrator

Brainerd Dispatch

Jennifer Bergman

Theresa Bourke

Commissioner O'Day opened the meeting with the Pledge of Allegiance.

Election of 2020 Officers

Commissioner O'Day called for nominations for BPU Commission President for 2020 at which time Commissioner Matten nominated Commissioner Angland. Nominations closed.

Nomination of Commissioner Angland for Commission President for 2020 was made by Commissioner Matten. There was a unanimous voice vote in favor of the motion. Motion carried.

Commission President Angland called for nominations for the office of Vice President for 2020 at which time Commissioner Wroolie nominated Commissioner Johnson. Nominations closed.

Nomination of Commissioner Johnson for Commission Vice President for 2020 was made by Commissioner Wroolie. There was a unanimous voice vote in favor of the motion. Motion carried.

Approval of Minutes and Consent Items

Motion by Commissioner Wroolie and seconded by Commissioner Matten to approve the minutes of the December 30, 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.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

January 28, 2020

Public Forum

None

President's Report

None

Other Commissioners' Reports

Commissioner Wroolie stated that he and Commissioner Matten had attended the closed meeting with the Brainerd City Council regarding the Airport project litigation with Tom's Backhoe.

City Administrator Report

New City Administrator Jennifer Bergman reported that she is listening and learning and has met with Department Heads, Council members and BPU staff during her 1st month. Commission President Angland welcomed Bergman and noted that he is pleased with the City's selection.

Secretary's Report

December 2019 highlights (December 2019 financial reports not available):

1. Total operating revenue increased \$120,481 (0.4%) from 2018.
2. Power costs are \$12.2 million a \$392,313 increase from 2018. In 2018 there was a \$1.3 million reduction in power costs related to MP true-up.
3. Total operating expenses increased \$518,214 (2.1%) from 2018.
4. Total cash and investments are \$16,313,380 a \$231,547 decrease from 2018.
5. Total liabilities are \$41.4 million a \$3.4 million decrease from 2018

AEP

Savings for the first six months with AEP approximate \$1,011,600 (approximate 15% decrease). Commissioner O'Day asked about the need to acquire additional capacity in future years. Wicklund stated that approximately 15 MW will need to be acquired for planning years 2026 and later.

Customer Renewable Energy Rate

Wicklund noted that BPU rate consulting firm of UFS has been contacted and UFS will be working on renewable rate options. Potential renewable energy rate structures will be studied once the construction of the Airport solar project becomes a reality.

Hydro Flow Graphs

Wicklund reviewed the hydro average cubic flow per second (cfs) and kWh generation from 2011 through 2019. The kWh generated would be enough to provide power to 1/3 of BPU's residential customers. The generators were in service 99.7% of the time in 2019.

Credit Card Sales

BPU collected \$9.2 million from customer credit card payments, which was approximately 35% of 2019 utility sales and the average number of monthly transactions was 3,000.

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Superintendent's Report

Water Department

- Projects
 - AMI install – going good with electric and meter departments assisting
 - Crew is clearing/shoveling hydrants
 - Water temperature at 36.1 degrees

Wastewater Treatment Department

- Projects
 - Plant and Lift Station maintenance
 - Main Lift upgrades

Electric Department

- Outages/Interruptions/Complaints
 - Fuse on 1/22/20
- Projects
 - Tree trimming – winter clean-up
- Substation - Minnesota Power
 - Phone call on Thursday getting close on agreements with MP

Hydro Department

- Projects
 - Generators running at 95%
 - Study plans for relicense sent to FERC – Friday the 24th – phone conference call with interested parties (MN DNR, Historical Society, etc.)

Other

- Airport Project lawsuit /depositions- City Attorney-trial in May
- City lighting ordinance – 1st reading (not as restrictive as previous version)
- Update - BPU Policy 2013-16 pertaining to fees for reading meters is as follows:

BRAINERD PUBLIC UTILITIES
POLICY 2013-16
Adopted 10/29/2013
Updated 1/28/2020

FEE FOR READING ELECTRIC AND/OR WATER METERS

Brainerd Public Utilities (BPU) will charge a \$50 monthly fee to a customer of BPU who does not respond to notice(s) giving permission to BPU to install, change, or repair the electric and/or water meter(s) at their residence or business.

Three (3) attempts will be made to the customer:

1. Door hanger will be delivered
2. Telephone call
3. Letter sent

If after these three (3) attempts and there has not been an appointment set up by the customer, or if the appointment is cancelled, the following month a \$50 fee will be added as a line item to the customer's bill each month until access is gained and the necessary work has been done.

- CDL registration with US DOT – employees need to register and Employer annual scan will be completed by St. Louis MRO this year.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

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Old Business

None

New Business

The Commission discussed various points of interest.

- Johnson inquired about state bonding for water projects.
- Angland stated an area legislator wants to meet with BPU staff (MMUA Legislative Conference is 3/31 & 4/1) Wicklund, Magnuson, Wroolie and Matten are attending.
- City Administrator Bergman is attending the League of MN Cities Conference March 19th.
- Next Commission meeting is February 18th.

Adjournment

Motion by Commissioner Wroolie and seconded by Commissioner Johnson to adjourn the meeting at 9:53 AM. Meeting adjourned.