

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on December 22, 2020.

Commission President Angland 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**

Finance Director

Superintendent

Recording Secretary

Accounting Supervisor

Operations Manager

Todd Wicklund

Scott Magnuson

Sharon Jensen

Julie Batters

Trent Hawkinson

**Others in Attendance**

Brainerd City Administrator

HR Director

Brainerd Dispatch

Jennifer Bergman

Kris Schubert (arrived 9:41 am)

Theresa Bourke

Commission President Angland opened the meeting with the Pledge of Allegiance.

**Approval of Minutes and Consent Items**

**Motion by Commissioner Johnson and seconded by Commissioner O’Day to approve the minutes of the November 24, 2020 regular monthly meeting and to approve payment of the current month 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

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**December 22, 2020**

### **City Administrator Report**

City Administrator Bergman reported on the following:

- The Council adopted 2021 budget with a 1% levy increase.
- 27 applications received for Police Chief position, 7 selected for interview, and 3 were finalists and an offer was made to top candidate.
- Continue working on Union negotiations.

### **Finance Director's Report**

November 2020 preliminary financial reports highlights:

1. Total operating revenue decreased \$1.1 million (4.7%) from 2019.
2. Power costs decreased \$1.6 million (14.5%) from 2019.
3. Total operating expenses decreased \$1.2 (5.4%) from 2019.
4. Change in net assets increased \$306,035 (14.4%) from 2019.
5. Total cash and investments increased \$102,088 (0.6%) from 2019. Total receivables decreased \$127,910 while inventory increased \$193,839 from 2019.
6. Total liabilities decreased \$3.3 million (7.9%) from 2019.
7. Change in net position for Electric Dept. increased \$284,057 from 2019.
8. Purchased power benefit increased \$10,750 (1.0%) from 2019.
9. kWh sold for 2020 decreased 4.5% while utility revenue decreased 5.2%. Total blended average revenue per kWh decreased 0.7% from 2019.
10. Change in net position for Water Dept. is a negative \$5,948 for 2020 compared to a negative \$63,154 for 2019.
11. Water sold is up 0.5% while utility revenue is up 5.7%.
12. Change in net position for Wastewater Dept. is \$352,270 compared to \$387,498 for 2019.
13. Wastewater gallons processed is down 4.2% while utility revenue is down 3.8%.

Days of cash on hand as of November 30, 2020, 2019, and 2018.

1. Combined – 167, 154 and 163
2. Electric – 102, 73 and 57
3. Water – 60, 152 and 390
4. Wastewater – 555, 570 and 511

### Bond Rating-Moody's

Wicklund noted that the City's bond rating is now A3 for Electric Utility Revenue Bonds.

### 2020 Audit - CliftonLarsonAllen

Wicklund reported the 2020 audit from CliftonLarsonAllen is scheduled to start the middle of March.

### Medium General Service Utility Rate

Wicklund recommended changing the Medium General Service electric energy and demand rate that was approved at the November 24, 2020 meeting. After staff reviewed the changes it was determined the energy rate should be changed to \$0.0550 per kWh and the demand charge should be changed to \$15.50 per kW to reduce the impact of the new rates on this class of customers.

**Motion by Commissioner Johnson and seconded by Commissioner O'Day to approve the recommendation to change the Medium General Service electric rates effective 1/1/21. There was a unanimous roll call vote in favor of the motion. Motion carried.**

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**December 22, 2020**

### Fee for Reading Electric and/or Water meters

Discussion regarding staff proposed changes to Policy 2013-16 updated 1/28/20 (Fee for reading Electric and/or Water Meters) resulted in the request to create a new policy to “opt-out” of RF metering and charge customer to read the meters every 6 months.

**Motion by Commissioner Johnson and seconded by Commissioner Wroolie to create Opt-Out meter policy for Commission review. There was a unanimous roll call vote in favor of the motion. Motion carried.**

### 2021 Commission Meeting Dates

Tentative meeting dates were presented, the meetings are scheduled for the last Tuesday of each month unless otherwise noted.

### HR Director's Report

Noted

## **Superintendent's Report**

### **Water Department**

- Projects
  - Installing AMI's is ramping up
  - Service line leak on 9<sup>th</sup> Avenue yesterday
  - Well #4 rehab started

### **Wastewater Treatment Department**

- Projects
  - Plant and lift station maintenance ongoing
  - Working with Baxter on old tie plant superfund site
  - Working on relationships with local industries as to what is allowed to be treated on the waste treatment plant. Meeting with BN and other customers in January.

### **Electric Department**

- Outages/Interruptions/Complaints:
  - No unscheduled outages - Working on after hours conversions
- Electric crew projects:
  - North Brainerd re-build, Golf Course Rd (Kohl's & Johnson building finish in Spring)

### **Hydro Department**

- All generators online at 100%
- FERC Draft license - working on paperwork

### **Other**

- COVID - 19 – Total of six BPU employees have tested positive
- Union negotiations ongoing

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**December 22, 2020**

**Old Business**

None

**New Business**

Election of 2021 Officers

Postponed until January 26, 2021 Commission meeting.

**Motion by Commissioner Matten and seconded by Commissioner O'Day to meet in closed session for the purpose to discuss union negotiation strategy pursuant to M.S. Section 13D.03, Subd. 1(b). There was a unanimous vote in favor of the motion. Motion carried at 9:41 AM.**

Those in attendance at the closed session included the Commissioners Johnson, Matten, O'Day, Wroolie, and Angland, and BPU and City staff - Wicklund, Magnuson, Bergman, and Schubert.

The Chair reconvened the meeting into open session at 10:40 AM.

**Adjournment**

**Motion by Commissioner Johnson and seconded by Commissioner O'Day to adjourn the meeting at 10:41 AM. Meeting Adjourned.**

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Mike Angland, Commission President

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Todd Wicklund, Commission Secretary