

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on March 29, 2022.

Commission President O'Day called the meeting to order.

Commission Roll Call

Mike Angland – Present

Tad Johnson – Absent

Patrick Wussow – Present

Mark O'Day – Present

Dolly Matten – Present

Utility Staff Present

Finance Director

Superintendent

Recording Secretary

Accounting Supervisor

Operations Supervisor

Wastewater Supervisor

Todd Wicklund

Scott Magnuson

Mandy Selisker

Jana Pernula

Trent Hawkinson

Charlie Gammon

Others in Attendance

Brainerd City Administrator

Brainerd Dispatch

Jennifer Bergman

Theresa Bourke

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

Approval of Consent Items

Motion by Commissioner Wussow and seconded by Commissioner Matten to amend the minutes from the February 22, 2022, regular monthly meeting to remove item 4(a) to reflect a unanimous vote after closed session to bring the recommendation to proceed with purchase of Roberts' property to City Council. There was a unanimous vote in favor of the motion. Motion carried.

Motion by Commissioner Matten and seconded by Commissioner Angland to approve the 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

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Public Forum

- David Winkelman; Winkelman Solar Developers and Peter Nelson; Brainerd Rotary Club gave a presentation on plans for Solar installation at Rotary Park.

Key points included:

- Newly built pavilion at Rotary Park would be a great solar collector and would like to put a small amount of solar on the pavilion, approximately 7.5 kilowatts.
- Rotary cannot take any profit so the potential plan would be to design, install and finance the project through a newly established LLC then donate the LLC back to the City, in approximately 5 years.
- There would be a kiosk to help present the solar generation and savings to the public.
- Estimate is about \$1,000 per year in electricity generation while cost for installation of electric would be approximately \$3,000-\$4,000 for BPU.
- Winkelman Solar would be donating their time for the project.
- Rotary members are going to donate money for the project and once breakeven is met, proceeds would go to the City.
- Security system would need to be installed per Park Board initiative but would need electric installed prior to this.
- Ongoing maintenance cost was brought up by Operations Manager Hawkinson. While LLC is owned by the Rotary maintenance costs would be their responsibility, however, once donated to the City, these costs would be the responsibility of the City.

Motion by Commissioner Wussow and seconded by Commissioner Matten to recommend to City Council to move forward with the Rotary Park solar project and working with BPU's electric crew throughout the process. There was a unanimous vote in favor of the motion. Motion carried.

Scenic overlook concept for Rotary Club

President O'Day inquired about the potential concept/design the Rotary had with the old river crossing valve vault. Currently this project is still only a concept plan for the Rotary Club. President O'Day mentioned BPU's plan to construct a new sewer line under the Mississippi River is a 2023 capital project.

President's Report

- None

Other Commissioners' Reports

- None

City Administrator Report

City Administrator Bergman reported on the following:

- Street Light Policy: Policy was adopted at the last City Council meeting. Implementation was discussed and direction going forward was that streetlights are done in conjunction with road construction projects. The one exception and request were that streetlights be replaced along main intersections such as Oak, Mill and South 6th Street that have new conduit installed in the last ten years. This will be on next month's commission meeting agenda.

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- Historic Water Tower: Council approved the plans and specs for new roof, stairs, lighting, and windows. Bids are currently being received and opening is scheduled for April 8th. There also was a grant received from the State Historical Society.
- 210 Reconstruction Project: The Council created a visual quality working group which consists of three council members and three business owners to discuss aesthetics for this project. There is an open house scheduled for tonight, March 29th, for the business owners.
- Public hearings are scheduled for April 4th for road construction projects.
- Employee Policy Manual: City Council gave the approval and directed staff to start making modifications to the Employee Policy Manual based on the changes to the Charter in both the Park Board and Public Utilities Section. City Administrator requested to meet with President O'Day to discuss what these changes in the Charter will mean.

Commissioner Matten requested more collaboration between City of Baxter and City of Brainerd/BPU with ongoing and upcoming projects. It was discussed to have a joint City Council and BPU Commission meeting followed by a collaboration meeting with both the City of Brainerd and City of Baxter. Target date with current projects status is October. City Administrator Bergman will work with BPU staff on this.

HR Director's Report

- Noted

Finance Director's Report

Financial reports not available this month

January and February Financial Reports will be available at April board meeting due to ongoing software upgrade and conversion.

Overview of Conservation Incentive Program Totals

- Savings of approximately 24 million kWh since inception
- Mostly a Commercial driven program
- Reducing load and increasing capacity
- Total amount of rebates given amount to approximately \$1 million

Comparison of Brainerd Wastewater Treatment Flows and Water Sales

- Noted the comparison of wet vs dry years on the unbilled gallons of WWT Influent.
- Average billed Wastewater gallons to billed Water Sales averages around 80%.
- Water sales in 2021 has doubled due to sales to Baxter.

Auditors completed field work on March 15th.

Next Board meeting is scheduled for April 26, 2022.

Superintendent's Report

Water Department

- Projects
 - Baxter water: 19.8 million gallons sold in February. New completion date to begin water production at Baxter plant is April 29, 2022.

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- Water storage tank project: Pipe gallery building is poured, and work is starting on foundation of first half of building. With road restrictions on now, contractor is reevaluating load sizes.
- Water main leak on Madison Street due to loosened bolts – easy repair.

Wastewater Treatment Department

- Projects
 - Ongoing plant and lift station maintenance.
 - Annual MPCA inspection went well. Wastewater Plant and staff received a certificate for exceptional compliance during 2021 review period.
 - Wastewater Supervisor Gammon reported that he is currently working on and troubleshooting copper levels while adhering to compliance on both wastewater and drinking water standards. Also exploring options for corrosion control while trying to avoid having to chlorinate water.
 - Working with Baxter and Brainerd on sewer ordinances and SIU agreements.

Electric Department

- Outage report
 - No known sustained outages noted.
- Electric crew projects:
 - Building new feeder to Industrial Park for 50 MW project – poles are in, and wire is half strung.
 - Waiting for moisture to subside to continue
 - Streetlight policy: will be discussed in more detail at next month's meeting

Hydro Department

- Generators #1, 2, 3 and 5 at 100%. Generator # 4 is down for repairs.
- Relicensing – update: Relicensing going well with four more properties to survey, one being Lum Park.

Other

Water Plant Staffing

- Upcoming retiree, Lynn Germann, expected to announce retirement date soon.
- Looking to hire a replacement as well as another position for the Water Department to help cover vacation and sick leave and an additional person for relief across departments as needed. Discussions will continue with a recommendation to follow at the April Commission meeting which will then be brought to City Council.

Old Business

Ratify Solar Energy Ground Sublease with AEP

AEP will own the solar so BPU will need to sublease that land to AEP. Potential for Fall completion.

Motion by Commissioner Matten and seconded by Commissioner Angland to ratify the Solar Energy Ground Sublease with AEP. There was a unanimous vote in favor of the motion. Motion carried.

Ratify 11th Amendment to Market Based Rate Full Requirements Agreement with AEP

This amendment would allow BPU to work with AEP to sell excess capacity back on the market for planning year 2022-2023.

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Motion by Commissioner Wussow and seconded by Commissioner Matten to ratify the 11th Amendment to Market Based Rate Full Requirements Agreement with AEP. There was a unanimous vote in favor of the motion. Motion carried.

Ratify 12th Amendment to Market Based Rate Full Requirements Agreement with AEP

This amendment with AEP is related to the purchase of blocks of energy for BPU crypto mining customers. Once energy requirements of crypto mining customers is known these energy requirements would then formalized in agreement with AEP and BPU would be obligated to purchase those blocks of energy from AEP.

Motion by Commissioner Matten and seconded by Commissioner Angland to ratify the 12th Amendment to Market Based Rate Full Requirements Agreement with AEP. There was a unanimous vote in favor of the motion. Motion carried.

Discussion of Policy 2021-02 – Organization Assistance Policy

Commissioner Wussow would like to see the name of the policy modified – potential a Banner Installation Policy. Commission President O’Day would like to see it broken down in more detail and update as needed given new scenarios. Discussion on charges included sharing costs with the City but outside organizations to be charged 100% of the cost. Ongoing maintenance can become costly so charging up front makes sense. Potential banner approval by BPU and setting required specs for banner sizing.

New Business

Pay request No. 4 from Magney Construction

Pay request in the amount of \$277,588.55 for water tank storage project was received from Magney Construction.

Motion by Commissioner Matten and seconded by Commissioner Wussow to approve payment for Magney Construction in the amount of \$277,588.55. There was a unanimous roll call vote in favor of the motion. Motion carried.

Consider motion to accept Annual Cogeneration Filings and Report for BPU Commission

Annual required regulatory filing regarding residential solar installation completed with the assistance of Star Energy Services.

Motion by Commissioner Wussow and seconded by Commissioner Matten to accept the Annual Cogeneration Filings and Report for BPU Commission. There was a unanimous vote in favor of the motion. Motion carried.

Consideration of Purchase Agreement for the acquisition of Roberts’ property in the amount of \$300,000

Purchase agreement is currently being reviewed by City Attorney Langel. Environmental review will be needed for underground tanks that were removed approximately 30 years ago. Roberts’ brothers agreed to remove all their equipment from the property.

Motion by Commissioner Matten and seconded by Commissioner Wussow to recommend forwarding the purchase agreement to City Council for approval at the April 4th City Council meeting pending attorney Langel’s review. There was a unanimous roll call vote in favor of the motion. Motion carried.

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Adjournment

Motion by Commissioner Wussow and seconded by Commissioner Matten to adjourn meeting. Motion carried at 10:23 AM.

Mark O'Day, Commission President

Todd Wicklund, Commission Secretary